



Daily Report

China

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United States & Canada

Embassy Repudiates Charges of Discrimination

OW170104 Beijing XINHUA in English

0029 GMT 17 Jan 88

["Chinese Embassy Refutes Slanders on China" — XINHUA headline]

[Text] Washington, January 16 (XINHUA)—A press counselor at the Chinese Embassy here today refuted as slanders charges that the Chinese Government has made Tibetans "second-class citizens in their own homeland."

In a signed article carried in today's WASHINGTON POST, Zheng Wanzhen, press counselor at the Chinese Embassy here, said Jeane Kirkpatrick's December 21 column, "Second Class Citizens in Their Own Homeland," "clearly reveals the author's irresponsible attitude in attempting to depict Tibet as a separate country from China and quoting concocted figures provided by the Dalai Lama and his followers."

He noted that the the article of the former U.S. ambassador to the United Nations was intended "to throw mud at China and to stir up hostile sentiments toward China."

The fact is, Zheng said, the central people's government has, since the founding of new China in 1949, always carried out the policy of equality among all nationalities.

He said the democratic reform in 1959 abolished the "cruel and barbaric serf system in Tibet and liberated tens of thousands of slaves. It provided a fundamental basis for the Tibetan people to enjoy the rights to democratic freedoms."

The press counselor revealed in his article that under the serf system, a small minority of serf-owners were free to punish, torture or kill their serfs, who were deprived of most of their means of production and personal freedom, let alone human rights and human decencies.

Zheng quoted Abraham Lincoln's famous words on slaves and went on to say, "I am certain that every justice-loving American will endorse what we did when we abolished a cruel and horrendous system and institution in Tibet where more than a million serfs used to live in constant misery and fear, a situation no better than that of black American slaves before 1863."

He said the Tibetans are building a new life, enjoying full political and democratic rights as well as the rights of autonomy as vested in China's constitution, and that the Dalai Lama's activities aimed at restoring the serf system in Tibet "will never succeed." Any attempt to reverse the tide of history "is certainly doomed to failure," he added.

The Chinese diplomat said it is a universally recognized fact that Tibet is part of China, therefore any Tibetan affairs "are entirely China's internal affairs."

The press counselor stressed that it is "totally groundless and preposterous to regard the situation in Tibet in the same category with foreign aggression in Afghanistan and Cambodia and to liken China to a foreign government that uses force to subdue an ethnically and culturally distinct people."

U.S.-PRC Amity Group Meets in Beijing

OW170736 Beijing XINHUA in English

0207 GMT 17 Jan 88

[Text] Washington, January 16 (XINHUA)—The U.S.-China People's Friendship Association started its two-day annual board of members meeting here today to review programs aimed at promoting U.S.-China friendship.

It is the first really working meeting of the new administration since the new board members were elected last September.

15 People participated in today's meeting including 11 members of the board, the highest leading body of the association, four presidents of the four regional associations invited here by the board.

With most of the board members newly elected, the meeting will review the association's programs for the coming years and resolve problems that come about in the normal course of doing business in the association's national office.

Fred Ptashne, the newly elected president of the U.S.-China People's Friendship Association, told XINHUA in an interview today that the prime objective they have is "obviously to increase our efficiency and effectiveness in developing friendship between our two peoples."

"We recognize that friendship between the peoples of China and the United States is one of the most significant factors of our activities that one can pursue, and which we hyphenate with peace in the world because of China's great influence as a big country over the questions of peace and in recognition of China's role as the first major country to call for a reduction and eventual elimination of nuclear arms in the world," said the association president.

The national office of the U.S.-China People's Friendship Association was established in 1974. With 6,500 members nationwide, the association has done a great deal to promote friendship between the two peoples, especially before the normalization of relations between China and the United States in 1979.

To help Chinese students and scholars here is one of the association's important programs. Thousands of Chinese students have got their help across the country. To organize China visit, show films on China and call seminars on China are also part of the association's job.

Ptashne said the association will continue to do these jobs well while trying to get some new programs.

Soviet Union

USSR Publishes Edition of Deng Speeches
OW160908 Beijing XINHUA in English
0826 GMT 16 Jan 88

[Text] Moscow, January 16 (XINHUA)—The Soviet Union announced on Friday the publication of a Russian language edition of Chinese leader Deng Xiaoping's most recent important speeches.

At an official ceremony here marking the book's publication, Mikhail Nenashev, chairman of the State Committee of Publishing, printing and book trade, said the new edition is an important social-political event in the Soviet Union.

The Soviet people are interested in changes in today's China, and the book can show them the theoretical and practical problems China faces in building socialism with Chinese characteristics, Nenashev said.

Called "Principal Issues Concerning Present-Day China," the book comprises 46 of Deng's speeches from September 1982 to June 1987 on important problems of China's domestic affairs and foreign policies.

Heilongjiang Develops Trade With Soviet Union
SK171054 Harbin Heilongjiang Provincial Service
in Mandarin 2200 GMT 14 Jan 88

[Text] Our province has vigorously developed border trade with the Soviet Union. Over the past 5 years, the total volume of business in border trade with Soviet Union reached 156 million Swiss Francs, which is equivalent to 440 million yuan of Renminbi.

Our province resumed border trade with the Soviet Union in 1982; changed the past traditional business pattern of exchanging a small amount of means of subsistence among the people into large-scale, multilayered border trade activities to exchange many different products; and scored comparatively good economic results. The business volume increased yearly, and the varieties of imported and exported products increased continuously.

In 1987 the business volume of import and export trade reached more than 50 million Swiss Franc, an increase of 3.4 times over 1982—the year border trade resumed. The varieties of import and export products increased from the former a dozen or so varieties to the present more than 200 varieties.

Northeast Asia

Spokesman Declines Comment on KAL Bombing
OW161049 Beijing XINHUA in English
1031 GMT 16 Jan 88

["China Hopes for Relaxed, Stabilized Situation on Korean Peninsula: Foreign Ministry Spokesman"—XINHUA headline]

[Text] Beijing, January 16 (XINHUA)—China has always opposed international terrorist activities in any form, a Chinese Foreign Ministry spokesman said here today.

When asked to comment on the explosion of a South Korean airliner last November, the spokesman said, "we hope the situation on the Korean peninsula will become relaxed and stabilized and will not be further intensified as a result of the incident."

"Both the North and the South of Korea have issued their respective statements on this incident and we are not going to make any comments on this," he said.

PRC Promises Not To Send Troops to DPRK
HK170500 Hong Kong AFP in English 0455 GMT
17 Jan 87

[Text] Tokyo, Jan 17 (AFP)—China has promised the United States it will not send support troops to North Korea, even if North Korean forces march into South Korea, the SANKEI SHIMBUN newspaper reported here Sunday.

The newspaper, citing diplomatic sources, said the Chinese position was stated at a unspecified meeting of "very high-level military officials" of the two countries. The sources did not say who made the promise.

The paper quoted the sources as saying that South Korean president-elect No Tae-u might have been informed of the Chinese stance before his recent statements backing an improvement in ties with Beijing.

Mr. No said on New Year's Day he hoped the two countries would open trade offices in one another's capitals after the Seoul Olympics in September.

He also said he would drop South Korea's long-held insistence on simultaneous cross-recognition, whereby Japan and the United States would recognize North Korea when China and the Soviet Union recognized Seoul.

Commentary on DPRK Talks Proposal
SK181040 Beijing International Service in Korean
1100 GMT 17 Jan 88

[Station Commentary: "A New Effort of the North Side of Korea to Ease Tensions on the Korean Peninsula"]

[Text] A joint meeting of the DPRK Central People's Committee, the State Administration Council, political parties, and public organizations was held on 13 January. The meeting adopted an open letter addressed to the South Korean authorities, political parties, public organizations, and figures of various walks of life. In this letter the North side of Korea officially proposed that a North-South joint meeting be held in which the leaders of the North and the South, the delegates of political parties and public organizations, and figures of various walks of life participate.

This is a new effort of the North side of Korea to ease the strained situation on the Korean peninsula and to resume the North-South dialogue. The North side of Korea delivered these letters to the South Korean side at Panmunjom on 14 January. The dialogue between the North and South of Korea was suspended early in 1986. Some 2 years have passed since then.

In 1984, when South Korea suffered from floods, the North side of Korea, prompted by a humanitarian spirit, shipped relief goods swiftly to the South side. This led to the resumption of the North-South Red Cross talks and opening a new road of dialogue, such as the economic talks and the preliminary meeting for the parliamentary talks. In the meantime, the North and the South exchanged large-scale art troupes and home-visiting groups of displaced families.

However, the dialogue between the North and South of Korea was totally suspended early in 1986 because the United States and the South Korean side conducted a large-scale "Team Spirit" joint military exercise.

Although in 1987 the North side of Korea proposed high-level North-South political and military talks and the three-way talks with the participation of the North and South side of Korea and the United States to discuss large-scale phased arms reduction and troop withdrawals, the South side and the United States did not respond positively.

Hundreds of thousands of troops are now stationed along the Military Demarcation Line on the Korean peninsula, with some 40,000 U.S. troops in South Korea. This phase is not only unfavorable to easing tensions on the Korean peninsula but it constitutes a grave obstacle to the Korean people's cause of achieving the independent reunification of the country.

Comrade Kim Il-song, president of the DPRK, put forward, in his New Year's address delivered on 1 January, a proposal to the North and South for the

convocation of North-South joint meeting to discuss ways to halt military exercises, to hold multinational arms reduction talks, to jointly host the 24th Olympic games by both sides, and to stop the slanderous propaganda against each other.

The joint meeting of the DPRK Central People's Committee, the State Administration Council, political parties, and public organizations held on 13 January officially put forward a proposal to the South side for a North-South joint meeting. This proposal noted that the joint meeting could discuss other problems relevant to national reconciliation and cohesion in addition to the previously mentioned ones.

The joint meeting also proposed that a preliminary meeting be held in Panmunjom on 19 February with the participation of the ministerial-level delegates of the authorities and the delegates of political parties and public organizations of both sides. This means that the North side of Korea is not only making sincere efforts for the convocation of the North-South joint meeting but it is also providing a new turning point for the resumption of the North-South dialogue.

Roundup Views Takeshita Visit to Washington
OW160148 Beijing XINHUA in English
0100 GMT 16 Jan 88

["Round-up: Bumpy Start for Takeshita" by Zhao Zijian—XINHUA headline]

[Text] Washington, January 15 (XINHUA) — Both the United States and Japan have felt a little bit disappointed at the outcome of Noboru Takeshita's first visit here as Japanese prime minister, although foundations have been laid for case-by-case solutions to some of the problems between the two countries.

Takeshita, who left here today for Canada to continue his North America tour, made it a top goal to befriend U.S. President Ronald Reagan personally and has apparently succeeded. In their first meeting two days ago, the two called each other by first names. And yesterday Takeshita was invited by the Reagans for tea.

Takeshita also succeeded in persuading Reagan into issuing a joint statement to halt the slide of the dollar, which threatens to price Japan gradually out of the world market.

The relationship between the dollar and the yen has shown that the United States and Japan are more interdependent today and have to move toward, not away from, each other.

In his keynote speech at the National Press Club yesterday, Takeshita repeated what Nakasone had declared, saying "the Japan-U.S. relationship is the cornerstone of Japanese foreign policy. And my government gives the highest priority to its management."

On his part, Reagan called Takeshita "one of America's most valued friends."

However, the two countries remain divided on key trade issues. The United States is not satisfied with Japan's proposal to open a number of Japanese public construction projects to U.S. firms.

In a telephone interview with National Public Radio, U.S. Trade Representative Clayton Yeutter said Takeshita's proposal "does not meet our needs," and that Washington will have to "make our own judgment whether retaliatory action will be needed."

The United States let Japanese builders into its market some 15 years ago and Japan's contract value in the U.S. construction market reached 2.5 billion dollars last year. In contrast, U.S. presence in Japan's construction market is almost nil.

As Japan gears to expand its infrastructure by investing nearly 100 billion dollars in the next 10 years, the United States sees an opportunity to reduce its huge trade deficits with Japan, which was about 60 billion dollars last year.

In the next few weeks, the U.S. and Japanese negotiators will be engaged in intense discussions to find a solution. If Japan is still unwilling to share the pie with the Americans, then a legislation passed last month by the U.S. Congress will be used against Japanese builders in U.S. public construction projects. The bad feelings that may spread in the United States will cost Japan more than loss of business contracts.

Another nagging issue is the agricultural products trade. The United States has tried to pry open Japan's market because Japan's food prices are several times those of the United States, making U.S. products very competitive there.

However, Japanese countryside is a powerful base of Takeshita's Liberal Democratic Party, which has to be very careful in dealing with the farmers and or else, it would lose votes.

Both Reagan and Yeutter, and some congressional figures, have shown displeasure over Takeshita's stalling tactics on the issue.

On the electronic product trade issue, Washington rejected Takeshita's plea and stuck to the remaining sanctions on 165 million dollars worth of selected Japanese electronic products, on grounds that Japan has yet to open its market for U.S.-made electronic goods.

However, the atmosphere surrounding Takeshita's visit here is more peaceful than the ones made by Nakasone. Washington is pleased over Japan's expansion of its domestic demand by 5 percent last year, which boosted Japan's GNP by 3.7 percent.

This year, Takeshita told the Americans, Japan's economic growth will rise 3.8 percent while trade surplus be reduced by 10 billion dollars. Japan also plans to "recycle" 30 billion dollars surplus to the developing countries, he said.

However, Takeshita's remarks will be subject to sincerity test, analysts say.

Ministerial Talks With Japan Scheduled
OW190909 Beijing XINHUA in English
1434 GMT 18 Jan 88

[Text] Tokyo, January 18 (XINHUA)— China and Japan will hold their eighth foreign ministry high-level consultations in Beijing next week to discuss both bilateral and international issues, the Japanese Foreign Ministry said here today.

Japanese Deputy Foreign Minister Takakazu Kuriyama will lead a delegation at the January 28-29 confab, while the Chinese side will be headed by Liu Shuqing, vice foreign minister, the ministry said in a press release.

Increased Steel Exports Sought From Japan
OW111357 Tokyo KYODO in English 1216 GMT
11 Jan 88

[Text] Tokyo, Jan. 11 KYODO—China wants the Japanese steel industry to boost its China-bound exports to 2.2 million metric tons to meet the nation's increasing consumer demand for home-use electronics appliances such as refrigerators and television sets, Japanese industry sources disclosed Monday.

China made the request during preparatory negotiations in Beijing last December. The talks were aimed at fixing the amount of steel Japan will contract for export to China during the first half of fiscal 1988 which begins in April, the sources said.

Frustrated with low import prices China offered last year, Japanese negotiators demanded that China buy 1.6 million tons at a price some 20 percent higher than last year's price, they said.

The Chinese side, however, did not touch on the import price it will offer for this year's steel imports.

Japan's four major steel makers and the state-run China National Metals and Minerals Import and Export Corp. will start full-fledged talks in May on import contracts for the fiscal first half.

Hard bargaining is expected as a result of a wide gap in negotiating positions by the two sides, they said.

Japanese negotiators will again place emphasis on seeking a higher contract price rather than increasing the quantity of steel exports, they added.

1.6 Trillion Yen Credit Sought From Japan
*OW141409 Tokyo KYODO in English 1249 GMT
14 Jan 88*

[Text] Tokyo, Jan. 14 KYODO—China has asked Japan for 1.6 trillion yen in credits to help finance 28 power plant, railway, airport and other projects under a third yen credit agreement, official sources said Thursday.

The total amount of long-term, low-interest yen credits sought by China is more than three times the 470 billion yen credit under the second intergovernmental agreement for 1984-1990.

According to the sources, top priority is given to four power plant projects in the yen credit list drawn up by China. Among them are the Wuqiaxi hydroelectric plant project in Honan Province and the Jingdong thermal power plant project in Beijing.

Priority No 2 is given to railway and port construction projects, which total seven.

Also notable is a project to establish commercial air control systems in Beijing, Guangzhou, Shanghai and Xian.

A project of the State Economic Planning Commission to establish a computerized national economic information system, aiming at a national economic data base, also stands out.

Among other projects are two subway construction projects in Beijing and Shanghai. Projects to construct a bridge in Shanghai over Huangpu Jiang and two bridges in Chongqing over Chang Jiang (Yangtze Kiang) are also included.

The third yen credit agreement will cover a period starting in 1991. However, China would like to have the credits from two years earlier, in 1989.

The new credit agreement has been discussed by the two governments since late 1986.

The credit total is at least 400 billion yen more than what was initially requested by China.

The sharp increase is believed to reflect China's dissatisfaction with the Japanese Government's handling of the Kokaryo student dormitory ownership issue and the recent stagnation of Japanese exports to China following Toshiba Machine Co.'s alleged violation of COCOM regulations concerning exports to the communist bloc.

The Japanese Government is expected to give positive consideration to the Chinese request.

However, some of the projects mentioned by China are considered unsuitable for financing by yen credits.

Japan To Edit Nanjing Massacre Scene From Film
*OW162145 Beijing XINHUA in English
1958 GMT 16 Jan 88*

[Text] Tokyo, January 16 (XINHUA)—Japan will wipe out documentary footage of the "Nanjing massacre" from a feature film, "The Last Emperor," when it is shown here beginning January 23, according to a report from KYODO NEWS SERVICE.

The film, coproduced by units from Britain, Italy and China, describes the life of Aisin Gioro Pu Yi, the last emperor of Qing Dynasty, and later the emperor of "Manchukuo", a puppet regime established by Japanese militarists in 1932.

In the later part of film, it contains some scenes about Pu Yi in a prison watching a documentary film about the "Nanjing massacre" made by the Japanese army during the aggressive war against China.

However, according to KYODO, Japan's film distribution department decided that the scenes about massacre would cause a strong "stimulus" to the Japanese and should be cut from the film when it is shown to the public.

In the "Nanjing massacre" of December 1937, 300,000 Chinese soldiers and civilians were murdered a week after the Japanese army took the city.

Observers here who favored the film in its uncut version said that history is history after all, and that the scenes about "Nanjing massacre" would have reminded people not to forget the lesson of the aggressive war and confirmed their determination to strive for peace.

Southeast Asia & Pacific

Qian Qichen Leaves for Australia 15 Jan
*OW160732 Beijing XINHUA in English
1134 GMT 15 Jan 88*

[Text] Beijing, January 15 (XINHUA)—Chinese Vice-Foreign Minister Qian Qichen left here this afternoon by plane for Canberra on a working visit to Australia.

Thai Prime Minister Receives Zhang Wenjin
*OW160804 Beijing XINHUA in English
1341 GMT 13 Jan 88*

[Text] Bangkok, January 13 (XINHUA)—Thai Prime Minister Prem Tinsulanon said here today that the exchanges between Thailand and China would promote their mutual friendly relations and benefit their economic and trade cooperation.

He made the remarks when meeting a delegation from the Chinese People's Friendship Association with Foreign Countries headed by its President Zhang Wenjin, former Chinese ambassador to the United States.

Prem noted that there were frequent exchanges between Thailand and China in the political, cultural and sports fields in the past years and it is necessary for the two countries to enhance cooperation in the domain of investment.

He said, "China is making efforts to develop tourism. Thailand and China can learn much from each other in this domain. In this way tourism in both countries can well develop."

Zhang Wenjin said that during his present tour he has seen the remarkable achievements Thailand made in various domains, many of which China can learn as experience for its economic construction.

The Chinese friendship delegation arrived here on January 8 for a visit at the invitation of the Thai-China friendship association.

Near East & South Asia

Israeli Repression of Palestinians Condemned

Envoy to Lebanon Speaks Out
OW160218 Beijing XINHUA in English
0045 GMT 16 Jan 88

[Text] Beirut, January 15 (XINHUA) — Chinese Ambassador to Lebanon Wu Shunyu condemned today Israeli repression of Palestinian people and expressed his support for Lebanon to lodge protest to the U.N. Security Council against Israeli aggression in southern Lebanon.

After a meeting with Lebanese speaker Husayn Husayni, the Chinese ambassador told reporters that China strongly condemned Israeli deportation of Palestinian civilians from their homeland in the occupied territories and considered it as violating international laws.

He said every inch of land in southern Lebanon is part of Lebanese territory and Israel has no right to violate it.

He stressed that the Chinese Government has always stood by the side of Lebanon against Israeli aggression.

Editorial Notes 'Suppression'

HK160414 Beijing CHINA DAILY
in English 16 Jan 88 p 4

[Editorial by "CHINA DAILY Commentator": "Palestinians' Struggle"]

[Text] The Palestinians in the Gaza Strip and West Bank have been staging protest demonstrations against Israeli occupation for the last five weeks. The Israeli authorities resorted to brute force to suppress the demonstrators, and it is estimated that so far at least 38 Palestinians have been killed, hundreds wounded and thousands arrested.

This new upsurge in Palestinians' struggle in the two areas is not accidental. It has deep political, social and economic roots. In defiance of world opinion Israel has occupied the Gaza Strip and West Bank for over two decades and imposed harsh rule on the Arabs there. It is an outburst of long pent-up Palestinian indignation against Israeli rule which has denied them basic human rights and a decent life. They have long waited for a rational solution to the Palestine issue so they can resume their national rights and lead normal lives. But they have waited in vain. Their patience is exhausted. In desperation, they—especially the young—are rising up to fight for their own future.

The whole world sympathizes with the just struggle of the Palestinians and condemns the outrageous suppression by the Israeli authorities. The United Nations Security Council adopted three resolutions in close succession regarding the current situation. United States [subhead] Worth noting is that the United States, a strong backer of Israel all along, abstained instead of vetoing the Security Council's resolution on December 22, which strongly deplored Israeli violence. The U.S. even supported the January 5 resolution urging Israeli not to deport Palestinians as it had threatened. The U.S. also abstained from the third resolution calling for the return of the deported Palestinians. No matter whether this is merely political gesture, it does show the utter isolation of the Israeli authorities because of their recalcitrance.

Even many Israeli people disapproved of their government's action, as shown by the demonstrations by Jews at the end of the year protesting the suppression and calling for an international Middle East peace conference.

The Israeli authorities are still clinging to the so-called "iron fist" policy. They are sending more reinforcements into the troubled areas, are boycotting the UN special envoy. Defying the UN resolutions, they have not only refused to permit the return of the expelled Palestinians but also intensified the suppression which caused more casualties.

However, the flames of a just struggle cannot be stamped out by brute force. The legitimate demand for national rights must prevail in the long run. The struggle of the Palestinians will not stop so long as the Israeli authorities refuse to withdraw from the occupied areas. Though there are still ups and downs ahead, the Palestinians certainly will win out. In seeking a political solution to the Palestine issue, an international Middle East peace conference should be convened with the Palestine Liberation Organization having equal status with all other parties in the conflict.

Its urgency is once more underlined by the suppression of the Palestinians by the Israeli authorities as well as their obstinate refusal to such a conference.

Commentary Criticizes Expulsions

HK190406 Beijing RENMIN RIBAO
in Chinese 16 Jan 88 p 6

[Short Commentary: "Lay Bare the Conspiracy of the Israeli Authorities"]

[Text] In spite of the strong opposition of world opinion, the Israeli authorities expelled four Palestinians by force to Lebanon on 13 January, in defiance of the resolutions of the UN Security Council, and threatened that more Palestinians would be expelled. This is the conspiracy of the Israeli authorities to further suppress the Palestinian people at a time when anti-Israeli struggles are running high on the West Bank and in the Gaza Strip.

The recent struggles waged by the Palestinian people on the West Bank and in the Gaza Strip have frightened the Israeli authorities and won extensive support from all over the world. Instead of restraining their savage acts, the Israeli authorities stepped up their bloody suppression and, at the same time, brazenly expelled the locally born Palestinians for no reason at all. The Israeli authorities have willfully trampled upon international law, deliberately violated the Geneva Convention, and openly infringed upon fundamental human rights. The purpose of expelling the masters of Palestine is to permanently occupy the West Bank and the Gaza Strip and revive the old dream of "Great Israel" of Jewish ultranationalism. Even though there is an increasing demand for justifiably solving the Palestinian question at an early date so as to maintain lasting peace in the Middle East, the rulers of Tel Aviv have unscrupulously attempted to go against the tide of history. This will only arouse greater indignation from the international community.

As a matter of fact, the Israeli authorities have forgotten their rudimentary knowledge of history. As everyone knows, around 1 million Palestinians have been expelled by the Israeli authorities. The attempt to suppress the Palestinian people has actually aroused the indomitable struggle of the Palestinian nation. Now the Israeli authorities have plotted to continue to expel the Palestinians. Can they rest easily by doing this?

The history of the Middle East since the war has proved that it will be impossible for the Israeli authorities to put down the fury of the people in the occupied land. Even some Israeli officials believe that it is "very stupid" to attempt to permanently occupy Palestine. The rulers of Tel Aviv consider themselves clever for expelling Palestinians who have lived there for generations. However, this will only intensify the conflict and place them in a more isolated position.

Roundup on Possible Afghanistan Compromise

OW190610 Beijing XINHUA in English
1622 GMT 18 Jan 88

["Round-up: Attitude on Afghanistan of Concerned Parties on Eve of Cordovez's New Shuttle Mission"—XINHUA headline]

[Text] Islamabad, January 18 (XINHUA) — The two superpowers, the Soviet Union and the United States, are giving out signals of compromise on the long-drawn Afghanistan issue on the eve of new diplomatic shuttle mission between Islamabad and Kabul by UN mediator on Afghanistan, Diego Cordovez.

Cordovez is scheduled to come here on January 20 to prepare for the next round of Geneva indirect talks on Afghanistan which is expected to resume next month.

Cordovez has conducted several diplomatic shuttle missions since 1982 when Pakistan and Kabul began their first indirect talks on the Afghan issue in Geneva. This time, however, the Soviets and the Americans seem to be more active and keen on the outcome of Cordovez's forthcoming shuttle mission and the next round of Geneva talks. Besides, they have signaled for the first time a message of compromise and reconciliation on the Afghan issue, which has made people harbour illusions about a solution to the issue within a short span of time.

At the beginning of this year (January 4), both U.S. Under-Secretary of State for Political Affairs Michael Armacost and Soviet Foreign Minister Eduard Shevardnadze flew to Islamabad and Kabul simultaneously to have detailed discussions with their hosts on all aspects of the Afghan issue. Armacost also met Afghan resistance leaders for the first time in Islamabad, capital of Pakistan. Although both Armacost and Shevardnadze were tight-lipped about the contents of their discussions and talks, from what has already been revealed and reported one can see that the Soviet Union and the United States have agreed in principle to politically solve the eight-year-long Afghan conflict.

Soviet leaders have made declarations of their intention to quit from Afghanistan this year and have given up their previous condition to link their troop withdrawal with the future government in Kabul. The United States has also repeated its statement that if the Soviet Union withdraws its estimated 115,000 troops from Afghanistan it will stop its military aid to Afghan resistance

forces. Before leaving Pakistan for home, Armacost quoted U.S. President Ronald Reagan at a press conference as saying that he hoped to see a solution to the Afghan issue in 1988. Observers here hold that it will be a good thing if the two superpowers really mean what they have said. It will be conducive to easing tension in this part of the world, not to say the sufferings of the Afghan people in the past eight years and more since the Soviet invasion of their country in 1979. Over one million Afghan people were killed in the war while five million people were forced to leave their homeland seeking shelter on foreign soils.

Pakistan's policy on Afghanistan is consistent. On the one hand it supports the Afghan people in their just struggle against foreign aggression and demands Soviet troops' withdrawal from Afghanistan; on the other hand it is seeking an earlier possible political solution to the Afghan issue. A foreign office spokesman in a recent statement said that the Pakistan Government is looking forward to the visit of Cordovez and "will extend him our fullest cooperation".

He said that Pakistan as a party to the proposed Geneva agreements is ready to contribute fully during the negotiations which are entering the final phase and will work seriously to ensure a favourable outcome of the efforts for a just and equitable settlement".

For more than eight years Pakistan has not only borne a big economic burden in sheltering over three million Afghan refugees, but also is under the constant threat of Soviet-Kabul aggression, violation of airspace and various subversive sabotages in the country.

The Afghan resistance forces, however, have so far refused to recognise the Soviet-backed Kabul regime and cooperate with Najibullah. They have even rejected the idea of including the ruling party elements in the future Afghan transitional government in Kabul. Chairman of the Afghan seven-party resistance alliance Maulvi Khalis has said there could be no coalition government in Afghanistan. The resistance forces have the sole right to form a government in the country. Another resistance leader professor Burhanuddin Rabbani said on January 15 that "all the parties to the Afghan issue should well understand that any decision in the name of political solution could not be thrust on the Afghan masses, and if it happens so it would open the flood gate for the new bloodshed." He made it clear that the decision to be taken ignoring the representative of the Afghan people and in which the Afghans are not involved would remain ineffective."

It remains to be seen whether Cordovez's forthcoming mission is successful or not, whether he can solve the complicated Afghan issue. Cordovez, in an exclusive interview he gave to a Pakistan resident correspondent in New York on January 15, was extremely cautious

about predicting the outcome of his mission to Islamabad and Kabul. He described his forthcoming mission as "both hopeful and apprehensive".

West Europe

Norway's Brundtland Pays 'Week-Long' Visit

Note: Ties in Pre-Visit Interview

OW160906 Beijing XINHUA in English 0848 GMT
16 Jan 88

[Text] Stockholm, January 14 (XINHUA)—Norwegian Prime Minister Gro Harlem Brundtland said relations with China are of increasing importance to Norway.

A deepening of economic ties between Norway and China, which began to develop in the early 80's after visits by former Norwegian Prime Ministers Oddvar Nordli and Kaere Willoch, is in the interest of both countries, Prime Minister Brundtland stressed.

Mrs. Brundtland made these remarks in an interview with Norwegian News Agency NTB recently on the eve of her week-long visit to China starting on January 17.

Mrs. Brundtland said trade and environmental protection will be the most important subjects on the agenda during her visit to China. China has been inspired by the United Nations' environmental work and is very keen on learning from the successes and mistakes of the industrialised world, she added.

A trade delegation will be accompanying the prime minister and will conduct its own separate negotiations with Chinese leaders.

The delegation, led by the director of the Norwegian Export Council Arne Langeland, consists of senior level executives from such large Norwegian firms as Elkem, Hydro, Statoil and Kvarner industries along with representatives from shipping companies.

Mrs. Brundtland will open a Norwegian petroleum consultant's new office in Guangzhou which deals with offshore activities in the South China Sea.

A visit to the Hydro's fertilizer plant in Shenzhen is also on the agenda.

Arrives in Beijing 18 Jan

OW180438 Beijing XINHUA in English
0030 GMT 18 Jan 88

[Text] Beijing, January 18 (XINHUA)—Gro Harlem Brundtland, the first woman prime minister in Norwegian history, flew in here this morning for talks with Chinese leaders on furthering bilateral relations of cooperation.

Invited by the Chinese Government for an official visit to China, Mrs. Brundtland and her husband Arne Olav Brundtland were greeted at the airport by Wu Wenying, chairman of the reception committee of the Chinese Government and minister of textile industry.

Mrs. Brundtland who first visited China as a member of a delegation of the Financial Committee of the Norwegian parliament has enthusiastically advocated developing Norway-China friendly relations of cooperation.

China's Acting Premier Li Peng is scheduled to hold talks with Mrs. Brundtland on bilateral relations and issues of common interest later this morning and in the evening, the Chinese leader will give a banquet for the Norwegian prime minister.

Accompanying her on her China visit are Eldrid Nordboe, secretary of state of the prime minister's office, and other Norwegian government officials.

Welcomed at 'Official Ceremony'

*OW180450 Beijing XINHUA in English
0225 GMT 18 Jan 88*

[Text] Beijing, January 18 (XINHUA)—Norwegian Prime Minister Gro Harlem Brundtland was officially welcomed into Beijing at a ceremony with a 19-gun salute this morning.

She and Chinese acting Premier Li Peng reviewed a guard of honor made of men of the three services of the Chinese People's Liberation Army in the Great Hall of the People.

The ceremony began with a band playing the national anthems of Norway and China.

Attending the ceremony were Mrs. Eldrid Nordboe, secretary of state of the prime minister's office, and members of the Norwegian economic delegation.

On hand was Chinese State Councillor Zhang Jingfu.

Later, Li Peng began talks with Prime Minister Mrs. Brundtland.

The Norwegian prime minister and her party flew in here early this morning. She is expected to stay in the Chinese capital until Wednesday when she will begin a tour of Xian, Guilin, Guangzhou and Shenzhen.

Holds Talks With Li Peng

*OW180908 Beijing XINHUA Domestic Service
in Chinese 0634 GMT 18 Jan 88*

[Text] Beijing, 18 Jan (XINHUA)—During formal talks with Norwegian Prime Minister Mrs Brundtland this morning, acting Premier Li Peng reiterated that China pursues an independent foreign policy for peace in order to oppose hegemonism and safeguard world peace.

He said that as China is undertaking the four modernizations, it needs a stable and peaceful international environment. He pointed out: "We welcome the INF treaty signed recently between the United States and the Soviet Union. However, the detente between them is limited and the contention and confrontation between them in various fields remain unchanged."

Mrs Brundtland held that China has made efforts to promote international detente. She also made positive comments on the efforts made by China in many other fields.

She pointed out: At present, there has been some relaxation in the international situation. Norway hopes that the United States and the Soviet Union, after signing the INF treaty, will continue to make progress in their talks on arms control. She said that developing countries need to develop themselves and hope for international detente and international aid.

Li Peng said that China and Norway hold identical or similar views on many major international issues. He emphasized that China consistently attaches importance to its relations with Northwest European nations, and that it is an important aspect of China's foreign relations to develop long and stable friendship and cooperation with them.

He said: At the same time, China also pays attention to developing relations with East European countries, and hopes that East and West Europe will develop relations with each other. Increased exchanges between East and Western Europe will help safeguard world peace and bring about relaxation in the international situation.

On Sino-Soviet relations, Li Peng pointed out: In recent years, there has been some development in Sino-Soviet relations in some fields. However, there has been no substantial improvement in political relations, because the Soviet Union has still not taken actions to remove the three major obstacles. In particular, it has not taken actions to remove the principal obstacle—its support of Vietnamese aggression against Cambodia, although it is capable of doing something to settle this issue.

Norway pays great attention to the world's environmental protection. Mrs Brundtland is chairwoman of the World Environment and Development Committee. She said that she is glad to see that China attaches great importance to environmental protection in the course of construction and development. Acting Premier Li Peng spoke highly of the work of the World Environment and Development Committee under Mrs Brundtland's leadership.

During the about 2-hour talks, the two sides thoroughly exchanged views on some international issues of common concern.

The two sides expressed satisfaction over the daily growing friendly relations and cooperation between China and Norway, and conducted in-depth and concrete discussions on strengthening economic and technological cooperation and developing friendly relations between the two countries in the days to come.

Li Peng, Brundtland Address Banquet
OW181254 Beijing XINHUA in English
1211 GMT 18 Jan 88

[Text] Beijing, January 18 (XINHUA)—Acting Chinese Premier Li Peng reiterated here today that China does not base its relations with other countries on similarity or difference in social system and ideology, nor does it enter into alliance or establish strategic relations with any big power.

Li said this at a banquet he gave here this evening in honor of visiting Norwegian Prime Minister Ms. Gro Harlem Brundtland, her husband and their party.

China holds, Li said, that cessation of arms race and elimination of regional conflicts are the necessary steps to ease international tension and maintain world peace.

"We welcome the recent U.S.-U.S.S.R. summit and the INF treaty signed, however, we are soberly aware that to bring about genuine relaxation of international tension, continued and tireless efforts by peoples of all countries are called for," he added.

On the Sino-Norwegian relations, Li noted that Norway is one of the first Western countries to establish diplomatic relations with new China.

"The past three decades or more have witnessed marked progress in the friendly exchanges between China and Norway in the political, economic, scientific, technological and cultural fields," he said.

Particularly in recent years, he said, Sino-Norwegian economic and technological cooperation has reached a new level. China and Norway have carried out fruitful cooperation in the Lubuge hydropower station in Yunnan and the Dalian shipyard, which demonstrates the potentials of Sino-Norwegian economic and technological cooperation.

Li paid tribute to the efforts made by the Norwegian Government to promote Sino-Norwegian economic and technological cooperation.

He expressed the belief that Prime Minister Brundtland's current visit will give a fresh impetus to the development of the relations between the two countries.

Mrs. Brundtland said that she greatly appreciates her opportunity to visit China, adding that her first visit to China in 1980 as a parliamentarian has left her a deep impression.

She said she is happy to be back in China to renew her acquaintance with China and study its achievements.

She said that her talks with Li Peng in the morning have confirmed that Norway and China have many interests in common today and that the two countries share hopes for a more prosperous and secure global community in the future, adding that the latest developments in China was highly interesting.

She said that relations between the United States and the Soviet Union are improving, adding that this has also had a beneficial effect on the situation in Europe and, indeed, in most parts of the world.

She said Norway welcomes the US-Soviet agreement on INF-medium range missiles and hopes it will be followed by agreements on the reduction of arsenals of strategic missiles and the elimination of chemical weapons, adding that Norway also hopes that a better climate between the superpowers will lead to just political solutions in Kampuchea and Afghanistan and to an improved situation on the Korean peninsula.

She said the relations between Norway and China are longstanding and excellent. The scope of mutually beneficial cooperation between the two countries is steadily growing, she added.

In addition, she said, there is closer contact and cooperation between Norway and China in international fora, such as the United Nations and its specialized agencies.

She said, the Norwegian Government and people are increasingly aware of the importance of East Asia and the Pacific area both in a global strategic sense and because of their economic strength and enormous potential.

At the same time "we welcome China's growing interest in Europe", she said.

She said the priority accorded to the areas of energy and transportation in China's economic development is in close keeping with the Norwegian experience.

She said that the experience of Norway's carefully planned exploitation of its off-shore oil and gas resources have been and are fundamental factors in the endeavours to further economic cooperation between Norway and China.

She felt that there is still untapped potential which could help the two countries to reach new levels of cooperation.

Attending the banquet this evening at the Great Hall of the People were Wu Xueqian, Chinese state councillor and foreign minister, Zhang Jingfu, state councillor, Wu Wenying, minister of textile industry, and Lu Dong, minister in charge of the state Economic Commission.

Prior to the banquet, Li Peng received interviews by the Norwegian reporters.

Brundtland CHINA DAILY Interview
HK180250 Beijing CHINA DAILY in English
18 Jan 88 p 4

["Replies" by Norwegian Prime Minister Gro Harlem Brundtland "to questions by CHINA DAILY on the eve of her official visit to China"; time and place not provided]

[Text] Q: What do you think of the prospects for political and economic relations between China and Norway, which have had a remarkable development in recent years?

A: The primary purpose of my visit to China is to contribute to the further development of the very good and friendly relations between our two countries. The prospects for such a development are very good, politically as well as economically.

In the political field we see no problems between our two countries. An indication of this is the increase in mutual high-level political visits in recent years. Norway's crown prince and crown princess visited China in 1985, our two countries exchanged visits by prime ministers in 1984 and there has been a number of mutual visits by government ministers.

Economically, there are possibilities of expanding our relations, particularly in the fields of oil, hydro-electric power, shipping, ship-building, electrics, fisheries and industrial modernization.

I would also draw attention to the cultural exchange between our two countries, dating back to our cultural agreement of 1963.

Q: What do you think of women's role in society and state affairs, and what are your experiences in promoting this role?

A: My thinking is that both men and women should have equal opportunities to fulfill their roles in society as well as at home. Traditions in most societies are such that this goal can only be reached by more women becoming active in social and political life. This very often implies that husbands will have to increase their participation in domestic life.

My experience in promoting this is that there is a growing understanding of such a shared responsibility, in my own country and internationally. Women bring with them different experiences from what men do, experiences that often prove to enrich the decision making process. Just as political decisions influence the lives of both men and women, they should be taken by both men and women.

Q: What is the general situation of the women's liberation movement in Norway?

A: Following a period in the 1970's when the debate was to a certain extent dominated by smaller, but very active groups, the 1980's are seeing a steady growth in the number of women entering posts at different levels of social and political life. However, we still have a considerable way to go before we reach our goal: that men and women share responsibilities at all levels of society.

Q: You are very much concerned about environmental protection, as we know. The relationship between man and nature has become a political issue in the world. We hope to hear your opinion in this regard, in the capacity of prime minister as well as world citizen.

A: At the request of the Secretary General of the United Nations I established and chaired the World Commission on Environment and Development which presented its report in 1987. During the time we worked on the commission we became convinced that the threats to global life support systems cannot be allowed to continue.

Mankind has the capacity to resolve the threats to the global environment, if we mobilize our collective human and technological resources. But if we refrain from the necessary concerted action, mankind also has the capacity to ruin this planet. The next few decades will be crucial. We face the challenge of providing for a doubled world population some time in the next century.

To allow these issues to be responsibly addressed, they need to be elevated to the top of the international political agenda. World leaders should devote their attention to the most important issues for mankind: peace, environment and development.

East Europe

Notes Exchanged With Poland on Assistance
OW171130 Beijing XINHUA in English
0834 GMT 15 Jan 88

[Text] Beijing, January 15 (XINHUA)—Ratification notes were exchanged for the agreement between China and Poland on judicial assistance in civil and criminal matters here today.

The agreement was signed in Warsaw on June 5, 1987 during the visit of Chinese leader Zhao Ziyang to Poland.

The agreement will go into force on February 13, 1988, according to its 30th article.

Chinese Vice-Foreign Minister Zhu Qizhen and Polish Ambassador to China Zbigniew Dembowski exchanged the ratification notes and signed certificates for the notes.

Latin America & Caribbean

Brazil Promulgates PRC Nuclear Energy Accord

*OW171115 Beijing XINHUA in English
1900 GMT 15 Jan 88*

[Text] Brasilia, January 15 (XINHUA)—Brazilian President Jose Sarney Thursday officially promulgated a Brazil-China accord on cooperation in peaceful use of nuclear energy.

The accord, signed by Brazil and China on October 11, 1984, states that China and Brazil "are convinced that an ample cooperation between both countries in the peaceful use of nuclear energy will contribute to the development of relations of friendly cooperation."

It says the two countries "will cooperate in the peaceful use of nuclear energy on the basis of mutual respect for their sovereignty, non-intervention in the internal affairs of each other, equality and mutual benefit."

The document indicates that both sides will cooperate in the fields of basic research of the peaceful use of nuclear energy, construction of nuclear plants, manufacture of fuel elements and research on regulations for nuclear security.

According to the accord, the forms for the cooperation between both the two countries may include the exchange and training of scientists and technicians, the holding of symposia and seminars, providing of consultative and technical services and exchange of scientific and technical information.

CAAC Airliner Crashes Near Chongqing
HK190804 Hong Kong ZHONGGUO XINWEN SHE
in Chinese 0705 GMT 19 Jan 88

[Text] Beijing, 19 Jan (ZHONGGUO XINWEN SHE)—An Il-18 CAAC [Civil Aviation Administration of China] airliner en route from Beijing to Chongqing crashed around 2215 on the evening of 18 January.

According to information provided by the CAAC, there were 98 passengers and 10 crew members on board. Relevant persons of the CAAC verified that all 108 people on board were killed.

The plane belonged to China's Xinan Airline Company. On 18 January, it left Beijing at 1905. There were three Japanese and one Briton on board, and their identities are to be further verified.

The plane crashed at a location 8 kilometers from Chongqing. The cause of the accident is under investigation. Yan Zhixiang, deputy director of the CAAC, lead a group of experts to rush to the scene this morning to investigate the accident. The investigation and the work of dealing with the aftermath of the accident are in the process of being carried out.

Four Foreigners on Board
OW190814 Beijing XINHUA in English
0747 GMT 19 Jan 88

[Text] Beijing, January 19 (XINHUA)—Four foreigners died along with 94 Chinese passengers and ten crew members in a plane crash near Chongqing, January 18, an official from the Civil Aviation Administration of China (CAAC) announced today.

Of the four foreign victims, three were Japanese citizens who worked in the Beijing office of Japan's Sumitomo Commercial Company, Ltd. and one was a British passport holder.

While making its final descent into Chongqing's Baishiyi Airport, the plane, an Il-18 on Beijing-Chongqing flight No 4146, crashed eight kilometers away from the airport at 22:15, on January 18.

A CAAC team was dispatched to the scene to investigate the accident, CAAC announced, but the cause of the accident is still unknown.

He Kang Proposes 10 Agricultural Measures
OW191206 Beijing XINHUA Domestic Service
in Chinese 1534 GMT 18 Jan 87

[Text] Beijing, 18 Jan (XINHUA)—The national agricultural work conference opened in Beijing today. He Kang, minister of agriculture, animal husbandry, and fisheries, spoke at the meeting. He first analyzed the

situation of our rural economy in 1987 and then proposed 10 important measures for bringing about an all-around agricultural development in 1988:

1. It is necessary to deepen the reform and perfect policies. We should further improve the output-related system of contracted responsibilities and encourage and support the peasants to engage in parttime and fulltime businesses and develop specialized cooperative organizations and joint operations of various forms. We should ensure the implementation of state and local agricultural policies to further arouse the peasants' enthusiasm for developing agricultural production. The state has stipulated that in this year's grain production, we will continue the "double-track" system and the "three-link" practice. From 1988 to 1990, the state will allocate annually an addition of 1.55 million metric tons of fodder-grain at low prices to support pig-breeding in 10 major pig-breeding provinces and Beijing, Tianjin, and Shanghai Municipalities.

2. It is necessary to keep the current acreage for grain crops, stabilize the number of pigs on hand, and readjust the geographic distribution and structure of agricultural production. The acreage for grain crops this year should be kept at about 1.66 billion mu. Since some grain fields are being used to grow industrial crops or for other purposes, we may make up for such lost grain fields by developing winter farming in southern part of China, promoting intercropping, and developing intermediate rice production in the intermediate rice regions in southern China. The acreage for cotton crop should be restored to 82 million mu. We should readjust the structure of animal husbandry by stabilizing pig breeding; actively developing the breeding of herbivorous animals of high returns, such as cattle, sheep and rabbits; and striving to increase the number of livestock of superior breeds.

3. We should actively implement the "bumper-harvest plan" and popularize several major output-increasing techniques. In crop cultivation, we should further popularize new, high-yield, and disease-resistant superior strains and new hybrids; continue to enlarge the acreage of plastic sheet-covered crops; and accelerate the popularization of high-yield cultivation methods. In animal husbandry, we should energetically introduce livestock and poultry of superior breeds, mixed fodder, ammoniated straw fodder and silage; and popularize scientific breeding and disease prevention.

4. We should deepen the reform of the agricultural science and education system. Efforts should be made to set up service organizations and offer comprehensive services. We should strengthen cooperation between the grass root agricultural technical service and management organizations and the peasants' special technical associations and societies. We should encourage agricultural scientists and technicians to apply their expertise and work in rural areas and poor areas.

5. We should make great efforts to promote the building of commodity-producing centers in accordance with the requirements of large-scale, community-oriented, and modernized commodity production. All commodity-producing centers should strive to increase outputs, supply more farm products of good quality, and gradually develop a large-scale production. They should acquire more technical equipment, accelerate mechanization, and become model zones of progressive agricultural science, technology, and management.

6. It is necessary to pay attention to exploiting agriculture and promoting export-oriented agriculture. In order to exploit agriculture, the State Council has set up a land development foundation to organize and coordinate large-scale developmental projects with the land occupation taxes collected annually. This year we must continue to build an export-oriented agricultural and sideline production structure.

7. It is necessary to take an active part in the reform of the circulation structure and make production, supply, and marketing an organic whole. We plan to find effective methods of producing and supplying nonstaple foods to large and medium-sized cities and, with focus on Beijing, Tianjin, and Shanghai, search for nonstaple food management systems that integrate production, supply, and marketing. Continued efforts should be made to promote diverse circulation organizations that integrate agriculture, stock farming, and fishery with industry and commerce.

8. Do a good job in the construction of agricultural infrastructure. Efforts should be made to popularize fine seeds and fine breed of stock and build basic facilities and bases. Earnest efforts should be made to improve administration of farm machinery and quality of related products and a good job should be done with regard to farm chemicals, fertilizer, soil monitoring work, and the implementation of fishery policy.

9. It is necessary to protect agricultural environment and strengthen rural energy work. Continued efforts should be made to build a monitoring network for agricultural environment and strive to complete it during the Seventh 5-Year Plan period. It is necessary to develop and strengthen the energy industry and an energy service network in rural areas. We should continue to popularize fuel-efficient stoves and the use of marsh gas.

10. Make continued efforts to promote economic development in poverty-stricken areas with a down-to-earth and responsible approach. The various localities should find ways to solve the problems of food and clothing with their respective actual conditions in mind. Efforts should be made to build a number of farm and livestock commodity production bases by exploiting the resources of poverty-stricken areas.

Reveals Plans To Increase Grain Production
HK180²²⁶ Beijing CHINA DAILY
in En¹⁸ 8 Jan 88 p 1

[by s. r Dong Lisheng]

[Text] has taken measures to increase the production of grain this year while making plans to fundamentally adjust the relationship between fast-growing industry and lagging behind agriculture, according to a senior agricultural official.

The country plans to produce 410 million tons of grain in 1988, 10 million tons more than last year, He Kang, Minister of Agriculture, Animal Husbandry and Fisheries, said in Beijing on Saturday.

"This year's targets, which are set in accordance with the current market situation and the need to fulfil the Seventh Five-Year Plan, (1986-90), will take a lot of work," he said in a report to the on-going session of the Standing Committee of the National People's Congress.

The reason is that "some problems affecting the development of agriculture, such as prices and investment, cannot be solved in a short period," he said.

However, he stressed that it would be possible to hit the targets so long as agriculture is given an extremely important position in the national economy. It must gain vitality through tapping potential, and more investment and advanced technology must be pumped in to develop productivity, he said.

The ministry has decided to take some measures to ensure the fulfilment of this year's targets.

The State will increase the purchase prices of wheat, rice, maize and edible oil this year to increase farmers' income by more than 1 billion yuan.

The State Council has given strategic importance to the development of the fertilizer industry to make more quality fertilizers available. The annual production capacity will be increased to 100 million ton by 1990.

In addition to a 1 billion yuan a year subsidy for grain production and another 1 billion yuan in low-interest loans for helping poorer areas, the State will make sure that all tax revenues collected this year from land use for purposes other than farming will be invested to develop agricultural production.

The minister said China's gross social products in rural areas last year was 899.5 billion yuan, an increase of 12.2 percent over 1986.

The total output value of rural industries last year grew by 19 percent to 450 billion yuan, and for the first time topped that of agriculture.

He said except for pork, sugar, and jute, output of major agricultural products all rose, by varying degrees.

Meat products reached 21 million tons, 200,000 tons more than 1986, despite a drop of 15 million pigs and 360,000 tons of pork.

He called the country's grain production over the past three years as "one year of dramatic decrease followed by two years of slow recovery."

The minister said slow agricultural growth and increased consumer demand were the main reasons why some big cities in China have had to ration pork.

In the three years beginning this year, the minister said, the central government will annually set aside 1.55 million tons of grain for use as fodder to help alleviate tight meat supplies in the three metropolises of Beijing, Tianjin and Shanghai and 11 provinces.

Tian Jiyun To Head New Economic Commission
OW161145 Tokyo KYODO in English
1130 GMT 16 Jan 88

[Text] Shanghai, Jan. 16 KYODO—China is planning to reorganize government agencies in line with a sweeping reform of its political systems, informed sources said Saturday.

The sources said the plan includes a merger of the State Planning Commission and the State Economic Commission as the two organs duplicate in some areas of their tasks.

Vice Premier Tian Jiyun is mentioned as a choice to head a new amalgamated commission, they said.

Fang Weizhong, vice minister of the State Planning Commission, is expected to be selected as its new deputy head, the sources said.

A decision on the reorganization will be made at the first session of the Seventh National People's Congress to be held in March, they said.

Under the reform, ministries of railways, communications and civil aviation will be combined into a national transport committee while energy-related ministries governing water resources, electricity, petroleum and coal industries will be reorganized into a State Energy Commission.

The State Energy Commission which was abolished in a 1982 reform is expected to be reestablished in view of its importance to work out a comprehensive energy policy.

There is a possibility that a new state commission which will plan for promotion of production and distribution of commodities and raw materials will be inaugurated while ministries of light industry and textiles will be merged into the State Light Industry and Textile Commission.

NPC Committee Meeting Holds Plenary Session
OW171649 Beijing XINHUA Domestic Service
in Chinese 1622 GMT 16 Jan 88

[Text] Beijing, 16 Jan (XINHUA)—The 24th meeting of the 6th NPC Standing Committee held a plenary session this afternoon to hear an Agriculture, Animal Husbandry, and Fisheries Ministry briefing on the situation in agriculture and a number of reports on foreign tours

Vice Chairman Geng Biao chaired the session.

On behalf of the State Council, He Kang, minister of agriculture, animal husbandry, and fisheries, briefed the members on the current short supply of major farm and livestock products and measures to alleviate the shortage. His briefing touched upon the implementation of the 1987 agricultural production plan, main problems facing agricultural production, and the tasks and major measures for 1988.

The members also heard a report made by Vice Foreign Minister Zhou Nan on behalf of President Li Xiannian on his visit to France, Italy, Luxembourg, and Belgium; by Vice Chairman Liao Hansheng on an NPC delegation's visit to Spain and Portugal; and by Huang Hua on an NPC delegation's visit to Finland. Copies of a report by Vice Chairman Wang Renzhong on an NPC delegation's visit to Sudan, Morocco, and Libya were also distributed to the members.

Vice chairmen attending the meeting were Chen Pixian, Peng Chong, Ngapoi Ngawang Jigme, Seypidin Aizezi, Zhou Gucheng, Yan Jici, Rong Yiren, Ye Fei, Liao Hansheng, Huang Hua, and Chu Tunan.

State Councillor Chen Muhua, president of the Supreme People's Court Zheng Tianxiang, and procurator general of the Supreme People's Procuratorate observed the meeting.

He Kang Addresses NPC
OW161422 Beijing XINHUA in English
1129 GMT 16 Jan 88

["Rural Areas' Production Almost 900 Billion Yuan"—XINHUA headline]

[Text] Beijing, January 16 (XINHUA) — China's gross social products in rural areas reached 899.5 billion yuan (242.5 billion U.S. dollars) last year, an increase of 12.2 percent over 1986, a Chinese agricultural official said today.

Total output value of rural industries grew by 19 percent to 450 billion yuan and for the first time topped that of agriculture, the official said.

Last year's grain output was expected to be 400 million tons, 2.1 percent higher than 1986, he said.

The rural economic development last year increased peasant per capita income by 30 yuan to 450 yuan, He Kang, minister of agriculture, animal husbandry and fisheries, said while briefing the 24th meeting of the Sixth National People's Congress Standing Committee here today,

He said that except for pork, sugar, jute and bluish dogbane, output of major agricultural products all rose by varying degrees last year.

Cotton output increased 13 percent to four million tons.

Output of aquatic products was up 12 percent to nine million tons, achieving the goal defined in China's Seventh "5-Year Plan" (1986—1990) ahead of schedule.

Meat products reached 21 million tons, 200,000 tons more than 1986, despite a drop of 15 million pigs and 360,000 tons of pork.

Poultry products were up 7.6 percent to nearly six million tons.

He Kang said rural industries maintained a rapid growth rate. The sector now employs 85 million people, 22.4 percent of the total rural labor force.

Some major export producers emerged from rural industries and their foreign exchange earnings grew by 12 percent to five billion U.S. dollars last year, he said.

In addition to the 20 billion yuan tax to the state, rural industries also provided funds to compensate farmers' losses in producing low profit products like grain and pork and to invest in agricultural infrastructure.

Passes Draft Secrets Law

OW151918 Beijing XINHUA in English
1509 GMT 15 Jan 88

[Text] Beijing, January 15 (XINHUA)—The draft of the new state secrets law was praised today by members attending the ongoing 14th meeting of the Standing Committee of the National People's Congress (NPC).

Supporters of the law said early approval and implementation of this law will help safeguard the country's security and interests, and guarantee and promote the development of socialist construction.

"After its ratification, the law should be obeyed by all Chinese citizens, including leading officials and especially high-ranking leaders, who have important responsibility," said committee member Huang Yukun, "but unfortunately the draft mentions nothing about this."

At today's panel discussion, members expressed dissatisfaction with current problems in maintaining state security, but agreed the new law would provide the legal authority necessary to deal with offenders.

"Some central government decisions have been leaked to [the] public before they are officially announced," committee member Lin Yuequn said, blaming the "Cultural Revolution" (1966-76) for this problem.

"State secrets should be more clearly defined in the law," committee member Tao Dayong suggested.

Committee member Chen Huibo pointed out: "Some regulations in the draft are too strict in controlling scientific research and inventions, which will not be favorable to the country's development or international exchange."

"Earlier publication of discoveries and new inventions and prompt application in industry will help raise China's productivity," he added.

Cooperative Enterprise Law Viewed

OW152048 Beijing XINHUA in English
1527 GMT 15 Jan 88

[Text] Beijing, January 15 (XINHUA)—China has worked out a law which is designed to encourage more foreign investors to set up cooperative enterprises in China.

Members of the National People's Congress (NPC) Standing Committee who support the law agree, the cooperative enterprise law is necessary to further promote China's reform and opening policy, and expand international economic cooperation and technological exchange.

At today's panel discussion, some members said cooperative enterprises should be given more authority to make them more successful.

Statistics at the end of last November showed China had approved more than 4,900 cooperative enterprises, managed jointly by Chinese and foreign firms, of which more than 2,000 had officially started operation.

Some members suggested, the full text of the draft should be made available to all cooperative enterprises nationwide to solicit opinions from experts and employees.

"Now approval procedures for Sino-foreign enterprises are too complicated and time-consuming," said NPC Deputy Zhou Guapwu [name as received], citing a cooperative project which involves only 300,000 U.S. dollars and has still not been approved after three years.

Cooperative enterprises should be given the right of approval for projects which are needed on China's domestic market and whose hard currency can be balanced within the project, Zhou suggested.

"Cooperative enterprises should be legally guaranteed more priority and flexibility," said committee member Yi Meihou, citing the good experiences of cooperative enterprises in south China's Guangdong Province.

Yi's view was seconded by Cai Liangcheng, vice-chairman of the Fujian Provincial People's Congress. He said that Guangdong and Fujian Provinces are the home of 85 percent of China's Sino-foreign enterprises, and most of them were started by Overseas Chinese and foreign citizens of Chinese origin.

Suggestions to modify the draft were raised in the areas of profit distribution, product import and export, and the handling of the property when an enterprise shuts down.

Reviews Industrial Enterprise Law

OW170210 Beijing XINHUA in English
1309 GMT 14 Jan 88

[Text] Beijing, January 14 (XINHUA)—Members of the National People's Congress (NPC) Standing Committee attending the ongoing 24th meeting called for early ratification of the draft law on state-owned industrial enterprises.

They believed that the implementation of the law, one of the most important being considered, will further enliven the enterprises and promote the current economic reforms in the urban areas.

It is the fourth time for the NPC Standing Committee to discuss the law, which was first submitted for discussion in 1985.

During today's panel discussion, Standing Committee member Tao Dayong said that the revised draft law makes more explicit the stipulations on the principles concerning the separation of ownership and management of the enterprises.

However, said Tao, who is also a well-known economist, the problem now is how can China ensure a smooth development of its state industrial enterprises.

"The freeing of enterprises from impractical and confused directions from administrative departments is very important," said Sun Jingwen.

Different opinions were also raised concerning the role of the workers and their unions in enterprises, and the enterprises' income distribution, leasing and contracting systems as spelled out in the draft.

The unions are the representatives of the employees and therefore their role and position in enterprises should be spelled out in the draft law, Zhang Ruiying urged at the discussion.

Li Wenqing shared this view, saying that self-education and self-management of workers and their role in enterprises should not be ignored by the law.

Disagreeing with the right of the enterprises to own, use and dispose of the properties entrusted to them by the state, as written in the draft law, some members held that such a regulation will be confusing because of the country's present state-owned system.

The systems of selling shares, leasing and contracting out should be dealt with much more cautiously since these measures are new to the state-owned system, some members said.

Comments on Draft Enterprise Law

HK160623 Beijing RENMIN RIBAO in Chinese
14 Jan 88 p 1

[Report by Lu Mu (7627 3668): "NPC Standing Committee Holds Group Discussion To Examine Draft Enterprise Law"]

[Text] Beijing, 13 Jan (RENMIN RIBAO)—The 24th meeting of the NPC Standing Committee began holding group discussions this afternoon to examine the "Law of Industrial Enterprises Under Ownership by the Whole People (Draft)." Some members held that the promulgation of an "enterprise law" is quite necessary in China so that the enterprises under ownership by the whole people can develop along the legal system track. Now that the full text of the "Enterprise Law (Draft)" has been made public to solicit opinions from all sides, it is certain that a "Law of Industrial Enterprises Under Ownership by the Whole People" with distinctive Chinese characteristics will be successfully accomplished.

Peng Qingyuan, a member of the committee, said: There has been a considerably long deliberation and consultation period for drafting the "enterprise law." While drafting the law, many members have gone deep into the realities to carry out investigation and study. The draft enterprise law which has now been presented is comparatively good. Codanov, vice chairman of the Standing Committee of the Xinjiang Uygur Autonomous Regional People's Congress, and Jiang Yi, vice chairman of the Hubei Provincial People's Congress Standing Committee, held that the draft enterprise law is rather comprehensive in content.

Quite a few members of the Standing Committee and nonvoting delegates to this meeting have submitted amendments to some articles of the draft enterprises law. Seyinbayar, vice chairman of the Nei Mongol Autonomous Regional People's Congress Standing Committee, said that in some specific items it is necessary to further emphasize that the enterprises should first guarantee the fulfillment of the mandatory and planned state tasks. It is necessary to adopt suitable wage and bonus systems in light of the economic returns, production, and development of the enterprises and carry out modern management.

Chen Huibo, NPC Standing Committee member, said that it is also necessary to emphasize that the enterprise and plant director should respect talented people and esteem knowledge. He should also actively support technicians and engineers, as well as the masses of workers, in carrying out scientific and technological research and creating new things, so that the technological development of the enterprise can be promoted and old products can be constantly substituted by new.

Peng Qingyuan held that the draft enterprise law should reflect both the decisionmaking power of the enterprises and the macroeconomic control of the state. Macroeconomic control should be exercised mainly through legal and economic measures rather than administrative measures. Codanov said that in the draft enterprise law it is necessary to emphasize that the enterprise should abide by the Constitution and other laws and decrees. As to the term of office of plant directors, he suggested that there should be some definite stipulations in it.

The members and nonvoting delegates have made a careful examination of the articles of the draft enterprise law, word by word and sentence by sentence, and put forward some amendments to the draft.

Commentator's Article on Emancipating Mind
HK180507 Beijing RENMIN RIBAO in Chinese
17 Jan 88 p 1

[Commentator's article: "Further Emancipate the Mind, Further Emancipate the Productive Forces—on the Focal Points in Studying the 13th Party Congress Documents"]

[Text] Study of the documents from the 13th party congress is progressing and deepening. The theory of the initial stage of socialism and the party's basic line during the initial stage of socialism have been understood and accepted by more and more people. At present it is necessary to make clear that further emancipating the mind and further emancipating the productive forces are the focal points in studying the documents from the 13th party congress, and acting in the spirit of the 13th party congress.

The party's basic line during the initial stage of socialism as put forward by the 13th party congress is a continuation and development of the party's lines adopted since the 3d Plenary Session of the 11th CPC Central Committee and is a Marxist line tested in practice. This line has taken shape in the course of continuously emancipating the mind and summing up practical experience under the guidance of the basic Marxist principle of seeking truth from facts. Generally speaking, before the 13th party congress, many comrades—in the course of practice—saw the results of reform and opening up and saw that production had developed, the market had prospered, and the people had earned greater income, so that they gradually emancipated their minds, enhanced their thinking, and accepted the party's line and general and specific policies. Still, they were not very clear as to why our socialist country should only follow this line and general and specific policies and not any other line and policies. The theory of the initial stage of socialism put forward explicitly by the 13th party congress shows that we have made a big leap forward in our understanding and gained some theoretical understanding regarding the Party's lines adopted since the 3d Plenary Session of the 11th Central Committee, and the reform and open policy as a whole. Once the theory is understood by the masses it will generate material forces. By studying the 13th party congress documents and understanding the theory of the initial stage of socialism, we can further emancipate our minds and carry out the general policy of reform and opening up more consciously and still more comprehensively.

Further emancipating the mind is for the purpose of further emancipating the productive forces. Comrade Zhao Ziyang pointed out in his report to the 13th party congress: "Everything which is advantageous to the development of the productive forces conforms to the fundamental interests of the people and is therefore needed or permitted by socialism. Anything which is disadvantageous to the development of the productive forces goes against scientific socialism and is not permitted by socialism." The most fundamental criterion for judging whether one has emancipated one's mind is to see whether one takes the emancipation of the productive forces as the basic yardstick in observing, analyzing, and solving all problems in social and economic life. Once we have further emancipated our minds and size up matters entirely by using the yardstick of whether it is advantageous to the development of the productive forces, we will discover that many of our old concepts need to be discarded, our path of thinking about reform may be further broadened, and we may make still broader strides forward on the path of reform. At present, in carrying out socialist economic construction and the cause of reform and opening up, we are still faced with a number of major problems which need to be answered correctly. For example: What different methods should we adopt to accelerate economic development in the light of the different conditions in the coastal and interior areas? How can we import still more funds, technology, and talent from abroad for our own use?

How should we deepen reform in rural areas and further arouse the enthusiasm of the broad masses of peasants in developing the commodity economy? How should we really break with the practice of "eating from the same big pot" and enliven the enterprises? How can we promptly turn the numerous scientific and technological research achievements into real productive forces? How should we improve the qualities of the workers steadily and in an all-round manner? And so forth. Only by further emancipating our minds, breaking with stereotypes, and carrying out reform persistently and in-depth can we find a correct way to solve these problems.

To further emancipate our minds we must display our dauntless enterprising spirit and overcome passive attitudes of being overcautious, attempting nothing, and looking on. The report to the 13th party congress calls for and encourages efforts to make explorations and to be creative, to compare the results of different experiments, and to exchange views. At present, the number of people daring to make explorations and be creative is not large and is far from sufficient. May our comrades, especially the leading cadres at various levels, emancipate their minds, boldly explore a new path, adopt new methods, and create new experiences by tightly grasping the focal point of developing the productive forces and by realistically proceeding from the actual conditions of their areas, departments, and units. Only by so doing can they say that they have studied the documents of the 13th party congress properly, and acted in the spirit of the 13th party congress.

'Key to Understanding 2 Basic Points' Cited
HK170929 Beijing BAN YUE TAN in Chinese
No. 24, 25 Dec 87 pp 8-10

[Article by Gong Yuzhi (7895 5148 0037): "The Key to Understanding the Two Basic Points"]

[Text] There was a very important remark in the report made at the 13th CPC National Congress: "Adhering to the general principle of reform and opening up is a new development of the line since the 3d Plenary Session of the 11th CPC Central Committee and it gives new content of the times to the four cardinal principles." This was the key to understanding the relation between the two basic points of being linked to each other, being interdependent, and being integrated with each other.

The four cardinal principles are developing. To adhere to these cardinal principles, we must develop them according to the development of practice.

Regarding the four cardinal principles, if we judge them from a wider angle, they were what we wanted to adhere to in the period of the democratic revolution. Party leadership—it was originally one of the three magic weapons in the democratic revolution; Mao Zedong Thought—it was originally formed and matured in the course of the democratic revolution; the democratic dictatorship of the people—it was originally a slogan we

put forward in the period of the democratic revolution, as well as the state regime carrying out the tasks of the democratic revolution. As for the socialist road—this is different because, at the stage of the democratic revolution, we could not transcend a stage to attempt directly the socialist revolution. However, the new democracy regarded socialism as the end result, the new democratic politics, economy, and culture contained socialist factors, and the new democratic revolution belonged to the sphere of the world proletarian socialist revolution. In this sense, we also adhered to the future orientation of socialism at that time. Therefore, in the democratic revolution at that time, our party adhered to these cardinal principles, but the contents of the times given to these cardinal principles by the party's basic line at that historical stage and at that time were the anti-imperialist and antifeudal new democratic revolution under proletarian leadership.

Since the founding of our country, we have continued to adhere to these cardinal principles, but these cardinal principles have progressed compared with those during the democratic revolution. What was put forward by the general line and general task in the transition period was the new development of the party's line, which gave the four cardinal principles new contents of the times at that time, namely, carrying out socialist industrialization and transforming capitalist ownership and individual ownership. Socialism was no longer a future orientation but a process of transformation in practical progress. The tasks of party leadership and functions of the people's democratic dictatorship underwent changes. The party had to exercise leadership over and carried out new socialist tasks. Mao Zedong Thought further developed in the course of new practice.

After socialist transformation was basically completed, we were confronted with a new historical change, and the four cardinal principles should have further and greatly developed. However, we were not able to effect this historical change very well, but took a tortuous road and deviated from the correct course, and in particular the 10 years of internal disorder of the "Great Cultural Revolution" occurred. The erroneous guiding ideology at that time distorted the meaning of the four cardinal principles: After socialist transformation was basically completed, "class struggle must be taken as the key link" and "the revolution must be continued under the dictatorship of the proletariat." Since the 3d Plenary Session of the 11th CPC Central Committee, we have straightened out history, brought order out of chaos in the party's guiding ideology, and clearly distinguished right from wrong.

We have now come to understand that as we are in the initial stage of socialism, we must concentrate our forces to attempt socialist modernization, which is our central task, and we must therefore carry out reform and opening up. Since the 3d Plenary Session of the 11th CPC Central Committee, we have summed up historical experience, made a historical decision, and distinguished the

scientific system of Mao Zedong Thought from Comrade Mao Zedong's mistakes in his latter years. If we do not grasp this new development, Mao Zedong Thought, to which we adhere, is very likely to include many of Mao Zedong's mistakes in his latter years. Let us reflect that without the gradual development of rural reform and other reforms since the third plenary session, without the new achievements in our further understanding of socialism since the resolution on reform of the economic structure, without some such new development of the party's ideology and line, and without grasping some such new development, the socialism to which we adhere is very likely to embrace an ossified understanding of socialism and an old, ossified structure.

Let us reflect that without the policies of expanding socialist democracy, of putting the socialist legal system on a sound basis, and of systematizing and legalizing democracy since the third plenary session, without Comrade Xiaoping's thinking on reforming the political structure and improving party leadership, stated in his "Reform of the Party and State Leadership System," without the basic guiding ideology for reform of the political structure, as put forward by the 13th CPC National Congress, without establishing the new concept that party leadership is political leadership, without changing the old method of party leadership, without such new development of the party's ideology and line, and without grasping such new development, the people's democratic dictatorship to which we adhere is very likely to include the old concepts which run counter to expanding democracy and to putting the legal system on a sound basis, and the party leadership to which we adhere is very likely to embrace the old structure and old method of not separating the functions of the party from those of the government and of party committees monopolizing everything.

In a word, if we do not grasp the new development of the party's line since the 3d Plenary Session of the 11th CPC Central Committee and if we do not grasp the new contents of the times given to the four cardinal principles by this new development, we shall "treat the four cardinal principles from an ossified viewpoint," leading to "doubting and even negating the general principle of reform and opening up."

Of course, the report also urges strongly that "we cannot treat reform and opening up from a liberal viewpoint; otherwise, we shall depart from the socialist path." We are carrying out reform and opening up on a socialist foundation, the aim of our reform and opening up is to make our socialism conform more to our national conditions and benefit more the development of the productive forces of our country and to give better play to the strong points of socialism. The four cardinal principles guarantee the socialist foundation, path, and orientation of our reform.

Therefore, the two basic points must be understood by linking them up. They are not extrinsically linked, nor is one of them used to suppress or eliminate the other.

While emphasizing the four cardinal principles, we must adhere to them and develop them. Since the 3d Plenary Session of the 11th CPC Central Committee, the new development of the party's line has given new contents of the times to the four cardinal principles. This ideology is used to explain the inherent unity of the two basic points. I think that this is a new important viewpoint of the report to the 13th CPC National Congress.

Mao's Daughter-In-Law Discusses Memories

*HK170856 Beijing JIAFANGJUN BAO
in Chinese 27 Dec 87 p 1*

[Article by JIEFANGJUN BAO reporter Jian Ni (4675 1200): "A Great Man and a Kind Father—Liu Songlin (0491 2646 2651), Editor of the JIEFANGJUN Literature and Art Publishing House, on Mao Zedong"]

[Text] It was on a speedboat heading for an island lying off the coast that I had my first encounter with Liu Songlin. The sailors were vying for her signature, while she was earnest and meticulous like a pupil working out the answers on an examination paper. There was no way to notice the glory of her family background. She left me with a very good impression during that first encounter. There were only a few days left on the 1987 calendar. Chairman Mao Zedong's 94th birthday, which fell on December 26th, was drawing near. It was on such a winter evening in Beijing that I sat face to face with Liu Songlin in her sitting room. She still spoke softly, as in our earlier encounter, and she would allow herself only a faint smile even when she got excited. She said that every year on 26 December she would pay tribute to the old man together with Mao Ansing and Shao Hua [6730 5478] [Mao's second son and daughter-in-law, respectively] at the Chairman Mao Memorial Hall to show respect for and cherish his memory. She then produced a photo album. The pictures were already faded, but many of them recorded her life with Mao Anying [Mao's eldest son] and Comrade Mao Zedong. They were worthy of being called precious historical relics. To my surprise, people could be very beautiful at a more tender age. In addition to Liu Songlin's beauty when she was younger, I noticed a temperament of peace and tranquility. Pointing to Mao Anying in the pictures, she said that he was a real ugly guy when she married him, but then the expression on her face betrayed her deep feelings for him. I asked her to tell me about her impressions of Comrade Mao Zedong. She replied: The Chairman Mao I knew was not only a great leader but also a kind father and friend to me. To outsiders, Comrade Mao Zedong was a great man of the world with sweeping influence, but his other side as an ordinary man of flesh and blood was rarely seen, she added. That was how Liu Songlin sank back into those unforgettable years, slowly sipping the cup of tea in her hands.

Liu Songlin had been in the deepest grief over the loss of Mao Anying, who had dedicated his life as a martyr on the Korean battlefield in 1950. For several years after the

tragedy, she never said a word about remarrying. Chairman Mao noticed this and was getting worried about her. He thought she should start a new life in search of happiness. But he was not in the position to advise his own daughter-in-law to remarry. On more than one occasion, taking the opportunity when Liu Songlin was with the other children, he would say: It is time for you girls to find some guys for yourselves. Then the girls would scream: "Where to find him?" "How can we ever find one!" In good humor, Chairman Mao would answer: You might close your eyes and catch the first guy on the street. On one such occasion, Liu Songlin made a joke: What if the man had pockmarks on his face? Deep down, she was afraid that she could never love anyone again after Mao Anying. So, things went on like that for some years. It was not until 1957 when Liu Songlin completed her education in the Soviet Union that Chairman Mao again raised the subject with her, this time directly. Twice he even acted as a matchmaker, but neither time proved fruitful. Later, through the introduction of the former president of an Air Force academy, Comrade Liu Zhen [0491 7201], she fell in love with Yang Maozhi [2799 5399 0037], a coach at the academy and eventually married. At the wedding, Comrade Mao dedicated a special poem to the young couple along with 300 yuan in cash as a wedding gift, saying: "I don't go out shopping, nor do I know anything suitable to get for you; so do buy yourselves a present based on your needs."

Here, tears brimmed in Liu Songlin's eyes behind her glasses. Then she continued: An ancient saying goes: "The higher one gets, the colder one feels." But then I am fortunate. I had an enlightened father-in-law, and now I have two boys and a couple of girls. My life has been very happy.

I found tranquillity in the courtyard at that time, and everything seemed to be lost in meditation. The Comrade Mao Zedong I used to see up on the Tiananmen tower, on the television screen, in the pictures in the press always impressed me with the feeling that he was someone to be looked at but never to be approached because of his top position. But here and now, he came back to life as a very real human being. Based on Liu Songlin's memories, Chairman Mao actually wanted very much to get in touch with the masses, but to do him justice, such occasions were rare and limited. Once when Liu Songlin returned home from school, Chairman Mao asked how she got home. Liu said she took a pedicab. Chairman Mao asked whether she had had a chat with the pedicab driver. Liu Songlin answered no, for she had no idea what to say to him. With regret, Chairman Mao said: "Had I been in your place, I would have taken the chance to have a good chat with him. Some people say the president of a country can be in the loneliest post. I wonder if there is some truth in it. In fact, great men are sometimes deprived of their freedom."

Our interview went on until it was 10 O'clock in the evening. All was still; the surroundings, the interviewee,

and her mind. That reminded me of the people's assessment of her: Over the years, she worked her way up, first as a translator, a secretary, then a research fellow, and now an editor. She relied on her own talents and abilities, worked dutifully, and never expected anything beyond her rights. Perhaps it was simplicity, a virtue born in her, or the freedom from worldly things after all that she had gone through that made her so. In my mind, perhaps it was because she had the advantage of being able to see the other side of a great man as an ordinary person that she had been willing to lead an ordinary life, and a real life at that.

KMT Member on Death of Chiang Ching-kuo
HK170758 Hong Kong AFP in English
0746 GMT 17 Jan 88

[By Nina McPherson]

[Text] Beijing, Jan 17 (AFP)—An official with mainland China's branch of the nationalist Kuomintang says he was not afraid to mourn last week's death of Taiwan President Chiang Ching-kuo.

Times have changed since China reported the death of President Chiang's father Chiang Kai-shek as the end of China's public enemy number one, said Jia Yibin, vice chairman of the Kuomintang (KMT) Revolutionary Committee, in an interview with foreign journalists.

Mr Jia said he believed his party was certain to play a role in mainland China's drive for reunification with Taiwan.

Once forced to sweep streets for eight years for his association with Chiang Kai-shek, who led the defeated nationalists to Taiwan after the communists came to power here in 1949, Mr Jia, 75, is one of tens of thousands of mainlanders whose political careers were wrecked by early allegiance to the Kuomintang.

He still recalls the April 6, 1975 announcement in the official Communist press which read: "Chiang Kai-shek, the chief of the reactionary clique and public enemy number one of the Chinese people, died yesterday."

But Mr Jia said he now enjoys listening to Taiwan radio broadcasts and was proud to be able to join Communist Party General Secretary Zhao Ziyang Thursday in sending a message of condolence to Taiwan on the death of Chiang Ching-kuo, 78, a man who Mr Jia said was his personal friend.

Mr Jia's freedom to speak out on his ties to Mr Chiang and the fact that he was able to send a message of condolence published by the official NEW CHINA NEWS AGENCY was not surprising in the light of recent developments here, Western analysts say.

The party was formally rehabilitated in 1978 and political reforms launched in Taiwan by Mr Chiang—including the relaxing of a 38-year ban on travel to the mainland, the lifting of martial law, and an increased role for Taiwan's democratic opposition—have led to more "visibility" for the work of the Revolutionary KMT, Mr Jia said.

"Reforms on both sides of the Taiwan Strait have reinforced and influenced each other," said Mr Jia.

The Communist Party is likely to depend on the Revolutionary KMT for help in sizing up the new Kuomintang leadership in Taipei, including its current Secretary General Lee Huan, Mr Jia said.

"They are like family members. When the time comes for reunification, we will definitely play a role," said Mr Jia, adding that the Communist Party consulted him regularly for advice in its dealings with Taiwan.

Mr Jia shrugged off questions about the late Mr Chiang's anti-communist stance. "He was a very patriotic man, someone who wanted to do something for the Chinese people. He worked hard for reunification," Mr Jia said.

Mr Chiang's tolerance of growing democratization in Taiwan has also put pressure on the Chinese Communist Party to give more emphasis to the role of the mainland's eight little-known non-communist parties, analysts say.

The creation of the Democratic Progressive Party in Taiwan in September 1986—in defiance of a ban on new political parties on the island—was followed two months later by mainland press articles praising the non-communist parties.

Last year the Communist Party announced that China's non-communist parties had "grown in size and influence," and recent reports in the official Chinese press have pointed to the important role that "democratic parties" played in fostering contacts with Taiwan.

Official statistics say the parties, which have received more than 74,000 Taiwan visitors in recent years, are directly responsible for effecting more than 400 import deals and trade transactions totalling 2 billion dollars.

The Revolutionary KMT, which claims a membership of 30,000 former KMT officials in mainland China, is among the largest of the non-communist parties.

Zhao Ziyang Meets Armed Police Conferees
OW190219 Beijing XINHUA Domestic Service
in Chinese 0829 GMT 18 Jan 88

[Text] Beijing, 18 Jan (XINHUA)—Comrades Zhao Ziyang, Qiao Shi, Wan Li, Yang Shangkun, Chen Pixian, Peng Cheng, and Hong Xuezhi met in Zhongnanhai this

afternoon with comrades participating in an enlarged meeting of the party committee of the Chinese People's Armed Police Force, and posed for pictures with them.

Zhao Ziyang Meets All-PLA Conferees
OW161851 Beijing XINHUA Domestic Service
in Chinese 1225 GMT 16 Jan 88

[By RENMIN RIBAO reporter Luo Tongsong and XINHUA reporter Zhang Haiping]

[Text] Beijing, 16 Jan (XINHUA)—Zhao Ziyang, general secretary of the CPC Central Committee and first vice chairman of the Central Military Commission; Yang Shangkun, permanent vice chairman of the Central Military Commission; and Hong Xuezhi and Liu Huaqing, deputy secretaries general of the Central Military Commission, met with all participants in an all-Army logistics work conference, all-Army conference on agricultural and sideline production, all-Army greening work conference, a grass-roots work conference of the Beijing Military Region, and the Fifth Air Force soldiers congress at the Great Hall of the People this morning. They posed for photographs with the conferees.

Present at the meeting were also leading comrades Qin Jiwei, Li Desheng, Chi Haotian, Yang Baibing, and Zhao Nanqi.

Jiang Zemin Heads Study Group to Guangdong
HK170731 Guangzhou Guangdong Provincial
Service in Mandarin 1030 GMT 16 Jan 88

[Text] According to information received this morning from the Secretariat of the provincial people's government, a Shanghai study group headed by Jiang Zemin, member of the CPC Central Committee Political Bureau, secretary of the Shanghai Municipal Party Committee, and mayor, carried out an investigation of Guangdong's reforms and opening up from 5 to 16 January. Vice Mayor Li Zhaoji was deputy leader of the group, which made detailed studies on developing export-oriented economy and using foreign exchange to promote three forms of import processing and compensation trade.

After listening to reports delivered by provincial departments concerned, Jiang Zemin and his party made on-the-spot investigations in Guangzhou, Foshan, Nanhai, Shunde, Zhongshan, Zhuhai, Shenzhen, and Dongguan cities and counties. They exchanged views with local party and government leaders and visited some factories, joint ventures, township and town enterprises, and tourism and service units.

Flight Test Center Achieves New Heights
OW170751 Beijing XINHUA in English
1153 GMT 14 Jan 88

[Text] Xian, January 14 (XINHUA)—The Xian Flight Test Center, the only one in China and the largest in Asia, has completed tests for ten aircraft of three new models over the past three years.

According to officials at the center, this has been rare even for the world's best flight test centers, indicating that China now ranks fourth in test flight research and experiments, next to the United States, the Soviet Union and France.

"To understand this, you have to remember that we began undertaking test flights only in the 1960s", said one official, adding that the three new models will contribute "significantly" to strengthening China's Air Force.

In recent years, the center has developed its own systems for testing air-borne computer facilities, aircraft engines and other key components of aircraft while importing foreign equipment for test.

There are 1,700 technicians at the center, including 238 senior engineers, and a team of "experienced" test pilots, the officials said.

The center also has a fleet of 50 aircraft for research and testing purposes.

Its airport, with two runways 3,400 meters long and 70 meters wide for each, is where President Reagan of the United States landed for a visit to Xian in April, 1984.

East Region

Fujian Standing Committee Ends Session

OW171832 Fuzhou Fujian Provincial Service
in Mandarin 1100 GMT 16 Jan 88

[Excerpts] The 3-day 29th meeting of the Standing Committee of the 6th provincial People's Congress ended in Fuzhou today. The meeting participants conscientiously studied the speeches made by Comrade Zhao Ziyang during his inspection of Fujian Province. [passage omitted]

The meeting adopted the report by the Standing Committee's Credentials Committee concerning the qualifications of deputies to the seventh provincial People's Congress. It recognized the credentials of 568 newly elected deputies to the seventh provincial People's Congress. The meeting discussed preparations for the first session of the seventh provincial People's Congress, and examined some relevant documents to be submitted to the congress. [passage omitted]

Cheng Xu, chairman of the provincial People's Congress Standing Committee, addressed the closing ceremony. [passage omitted] He said: Our provincial People's Congress is a regional organ of state power and has the function of exercising power in accordance with the Constitution and law. Our work is closely related to reform and opening to the outside world. We should use the documents of the 13th party congress and Comrade Zhao Ziyang's instructions to guide our legislative work, our supervisory work, and our work in examining and deciding major problems. We must discard old concepts, be good at studying new problems and accepting new things, and be bold in exploring new avenues in the course of reform and opening to the outside world. We must strive to do our work well so as to bring about an excellent situation in the province.

Attending the meeting were Wang Yan, Wen Xiushan, Kang Beisheng, Wang Zhi, Zeng Ming, Liu Yongye, Hou Linzhou, and (Wang Yishi), who are vice chairmen of the provincial People's Congress Standing Committee.

Jiangsu's Han Cuts Ribbon for Exhibition

OW181417 Nanjing Jiangsu Provincial Service
in Mandarin 1015 GMT 11 Jan 88

[Excerpts] A new provincial industrial product exhibition, which verifies the results in developing Jiangsu's new industrial products and displays enterprises' technological progress, opened at the International Exhibition Center in Nanjing this afternoon. Comrades Han Peixin and Chen Huanyou cut the ribbon for the exhibition. [passage omitted]

The exhibition displays over 1,600 new products selected mainly from among a large number of new products developed in Jiangsu since 1984. [passage omitted]

Shandong People's Congress Committee Meets

SK171210 Jinan Shandong Provincial Service
in Mandarin 2300 GMT 16 Jan 88

[Excerpts] The 30th Standing Committee meeting of the 6th provincial People's Congress opened on the morning of 16 January at the meeting hall of the Jinan Zhenzhuquan Auditorium.

At the plenary meeting held that morning, Zhang Zhusheng, chairman of the Credentials Committee of the sixth provincial People's Congress, made a report on the examination of the qualifications of deputies to the seventh provincial People's Congress. Zhang Zhusheng said: The Credentials Committee of the sixth provincial People's Congress Standing Committee held a meeting on 14 January to examine the qualifications of deputies elected by various electoral units to the seventh provincial People's Congress. The meeting defined that the qualifications of the 891 deputies were effective. [passage omitted]

At the plenary session held on the afternoon of 16 January, participants adopted the decision on the report concerning the examination of the qualifications of deputies to the seventh provincial People's Congress. They also listened to and examined the report made by Zhang Ziming, secretary general of the provincial People's Congress Standing Committee, on the preparations for the first session of the seventh provincial People's Congress; the suggested draft on establishing a special committee for the seventh provincial People's Congress; and the explanation concerning the decision on readjusting and strengthening the working body of the provincial People's Congress Standing Committee.

Li Zhen, chairman of the provincial People's Congress Standing Committee, presided over the plenary meeting held on the morning of 16 January; and Xu Leijian, vice chairman of the provincial People's Congress Standing Committee, presided over the plenary meeting held that afternoon.

Participating in these meetings were Xiao Han, Gao Fengwu, Xu Jianchun, Lin Ping, Zeng Chengkui, Feng Lizu, Xu Sen, and Yan Jingqing, vice chairmen of the provincial People's Congress Standing Committee. Attending as observers were Han Bangju, president of the provincial Higher People's Court, and Zang Kun, chief procurator of the provincial People's Procuratorate.

Meeting Ends

SK190645 Jinan Shandong Provincial Service
in Mandarin 2300 GMT 18 Jan 88

[Text] The 30th Standing Committee meeting of the 6th provincial People's Congress ended at the meeting hall of the Jinan Zhenzhuquan Auditorium on the morning of 18 January.

The plenary session held that morning adopted the suggested agenda of the first session of the seventh provincial People's Congress, the suggested namelists of the members and secretary general of the presidium of the session and the suggested namelists of the members of the Motion's Examination Committee and the budget Committee of the session, the proposal for setting up a special committee for the seventh provincial People's Congress, and the decision on readjusting and enhancing the work body of the provincial People's Congress; and voted for the draft work report of the provincial People's Congress Standing Committee and relevant items concerning personnel appointment and removal.

Zhang Zhusheng, vice chairman of the provincial People's Congress Standing Committee, presided over the meeting. Attending the meeting were Li Zhen, chairman of the provincial People's Congress Standing Committee, and Xu Leijian, Gao Fengwu, Xu Jianchun, Zeng Chengkui, Feng Lizu, Xu Sen, and Yan Jingqing, vice chairman of the Provincial People's Congress Standing Committee. Zang Kun, chief procurator of the provincial People's Procuratorate, attended the meeting as an observer.

Central-South Region

Guangxi People's Congress Session Opens *HK160417 Nanning Guangxi Regional Service in Mandarin 1030 GMT 15 Jan 88*

[Excerpts] The first session of the seventh regional people's congress solemnly opened in Nanning today. [passage omitted] The executive chairman of the session today were Chen Huiguang, Wei Chunshu, Gan Ku, Huang Yun, Jin Baosheng, Tao Aiying, Zhong Feng, Li Yindan, Shui Zhaotang, Huang Jia, Wei Zhangping, and Zhang Jingming.

Wei Chunshu, chairman of the regional people's government, delivered a report on the work of the government. The report was in four parts: 1) review of work over the past 5 years; 2) the special features of the region's conditions, and the economic development strategy; 3) the main tasks for 1988; 4) make concerted efforts to catch up and work hard to invigorate the region's economy. [passage omitted]

In his report, Wei Chunshu summarized in five points the profound changes that have taken place in the region in the past 5 years. He said [begin recording]: 1) The work focus of the whole region has genuinely shifted to economic construction. 2) The pace of reform and opening up has continually speeded up. 3) The speed of economic development has initially increased after being rather slow, our economic strength has grown continually, and there has been a marked change in our poverty-stricken appearance. 4) New achievements have been scored in science, education, culture, public health and so on. 5) There have been relatively great improvements in living standards. [end recording] [passage omitted]

On the basis of affirming the achievements, Chairman Wei Chunshu summed up three outstanding basic experiences and lessons: It is essential to have a social environment of stability and unity; it is essential to unswervingly carry out reforms and enthusiastically support and protect the reforms; and it is essential to insist on linking theory with reality and base everything on Guangxi realities in implementing the party's principles and policies.

On the main existing problems and difficulties, Chairman Wei Chunshu said [begin recording]: Compared with our previous efforts, the region's economic construction has made progress in the past 5 years, but compared with advanced areas of the country, there are great discrepancies. There are still many shortcomings and mistakes in government work. We are facing very many problems and difficulties. We must face them squarely and take active measures to seriously resolve them. [end recording]

Chairman Wei Chunshu then gave a detailed analysis of the region's special features and the proper economic development strategy to adopt. He said that in light of the region's special features, it is essential that we emancipate our minds still more, be still bolder in reform, relax the policies still more, and open up still more to the outside world. The key here lies in further emancipating our minds and continuing to eliminate leftism. We must overcome ossified thinking and update our concepts.

At present we must focus on resolving four problems: We must strengthen the concept of centering all work on developing the productive forces; we must strengthen the concept of having reform dominate the overall situation; we must strengthen the concept of commodity economy; and we must strengthen the concept of talent.

Chairman Wei Chunshu then said that the goal of the next 5 years of economic development in Guangxi is to strive for a slightly higher growth rate than the national average, on the basis of continually improving economic returns. It is also necessary to attach importance to investment and speed up technological progress and the training of talent. We should also basically resolve the food and clothing problems in the poor areas. Those that have already done this should strive for a comfortably well-off living standards.

In order to achieve these goals, Wei Chunshu said: [begin recording] We must unswervingly implement the strategy proposed by the central authorities of attaching importance to economic returns, improving quality, and achieving coordinated development and steady growth. At present and for a time to come, we must focus on resolving the following important problems, which have a bearing on the overall situation: 1) We must assign the primary position to technological progress and to education. 2) We must lose no time in expanding our opening up to other parts of the country and to the world. 3) We

must pay attention to increasing investment and boosting the reserve strength of the economy. 4) We must strengthen the position of agricultural technology and take full advantage of our strong points in subtropical agricultural and forestry resources. 5) We must give free rein to developing various components of the economy. 6) We must continue to regard supporting poor areas as a strategic measure. 7) We must strictly control population growth. [end recording]

On the tasks for 1988, Chairman Wei Chunshu said: [begin recording] In accordance with the central authorities' instruction on further stabilizing the economy and deepening the reforms, work in the region in 1988 must have the 13th Party Congress spirit as its motive force and place reform in command of the overall situation. We must launch in greater depth the double increase and double economy drive, strive to increase and improve supplies, and promote work in all sectors. [end recording]

Wei Chunshu said: 1) We must deepen economic structural reform. 2) We must maintain sustained, steady, and coordinated development of the economy. 3) We must strengthen the building of socialist democratic politics and of spiritual civilization. At present we must focus on getting a good grasp of studying and publicizing the documents of the 13th Party Congress, establishing socialist morals and habits, putting socialist democracy and legal system on a sound basis, and further developing culture, public health, sports, and so on. [passage omitted]

In the afternoon, the session heard a report by Zhang Chunyan, vice chairman of the regional government and chairman of the regional planning commission, on the draft of the region's economic and social development plan for 1988, and a report by (Liu Mingshan), deputy director of the regional financial department, on the execution of the 1987 budget and the draft budget for 1988. Li Yindan presided.

Henan People's Congress Session Opens 15 Jan
HK160217 Zhengzhou Henan Provincial Service
in Mandarin 1030 GMT 15 Jan 88

[Excerpts] The First Session of the Seventh Henan Provincial People's Congress opened in Zhengzhou this morning. Seated on the presidium were today's executive chairmen Yang Xizong, Zhao Di, Yao Minxue, Lin Yinghai, Zhang Shude, Guo Tan, Yue Xiaoxia, Lin Xiao, Ji Hanxin, Wu Shaokui, Ding Shi, Guo Peijun, and Fan Lian. [passage omitted]

Acting Governor Cheng Weigao delivered a report on the work of the government. The report was in four parts: 1) The past 5 years were years of reform, development, and progress. 2) Persist in basing efforts on provincial reality and have a clearer idea of the guiding idea and development strategy for economic construction

that accords with reality. 3) Closely integrate construction with reform and ensure the sustained and steady growth of the province's economy in 1988. 4) Launch in depth education in the party's basic line, further strengthen the building of democracy and legal system, and further promote reforms in the government organs.

Comrade Cheng Weigao cited many facts and figures to show that the past 5 years have been years of marked achievements in economic construction. The economy has recorded sustained and steady development during this period; grain output has risen to a new level; the town and township enterprises have made major progress; and great achievements have been recorded in capital construction and technological transformation. [passage omitted]

On the province's future economic construction, Comrade Cheng Weigao said that the key to promoting Henan's economic construction lies in solving the question of how to truly integrate the spirit of the 13th Party Congress with Henan reality, base our efforts on the provincial conditions, further unify our understanding regarding taking economic construction as the core task, have a clear idea on the economic development strategy, and concentrate forces on developing the productive forces. We must continually overcome leftist influence and the bindings of the old setup, strengthen our concept of reform and opening up, and intensify our consciousness of socialist commodity economy. We must establish the spirit of self-reliance and arduous effort and make preparations for long-term endeavors.

On the tasks for this year, Cheng Weigao said that the province must concentrate efforts on the following:

1. Increase agricultural investment, deepen the rural reforms, and strive for new progress in agriculture.
2. Introduce the competitive mechanism, perfect contracted management, and do a thoroughly good job in invigorating the existing enterprises.
3. Carry out coordinated reforms of the economic setup centering around changing the enterprise operating mechanism.
4. Actively promote the readjustment and improvement of the production structure, and organize efforts to increase output of goods with a ready market.
5. Mobilize the forces of all sectors to vigorously develop urban and rural collective economy.
6. Actively create conditions for stimulating the effort to open up to other parts of the country and to foreign countries and to organize joint ventures.
7. Speed up economic development of poor areas and do a thoroughly good job in supporting the poor.

8. Uphold the principle of serving economic construction in pressing forward the development of science, technology, and education.

9. All sectors should make concerted efforts to stabilize prices.

10. Do a still better job in formulating economic development strategic plans based on reality.

Comrade Cheng Weigao stressed that it is essential to launch among the people of the province education in the basic line for the initial stage of socialism, strengthen the building of democracy and legal system, preserve the political situation of stability and unity, change the management functions of the government, and promote reforms in government work. [passage omitted]

In the afternoon the session heard a report by (Zhong Lisheng), director of the provincial planning and economic commission, on the execution of the province's economic and social development plan for 1987 and the draft plan for 1988, and a report by (Hu Shuli), director of the provincial financial department, on the execution of the province's 1987 budget and the outline of the 1988 budget.

(Zhong Lisheng) said that the province did relatively well in economic development on 1987. Total social output value is estimated at 110.5 billion yuan, an increase of 14.9 percent over 1986. Urban and rural living standards continued to improve somewhat on the basis of the development of production. These achievements were the results of vigorously unfolding the double increase and double economy drive, deepening the reforms, relying on the progress of technology, and working hard to improve management. [passage omitted]

This year the province should increase its total output value by 8.5 percent. At the same time, varying degrees of increase should be recorded in output value of agriculture and of industry, financial revenue, and foreign trade. It is necessary to control the rise of the retail price index in the markets, to ensure some increase in the real income of the urban and rural people.

(Zhong Lisheng) said that the province's economic and social development tasks are very heavy, and there are also many difficulties. Hence, the key lies in getting a good grasp of the double increase and double economy drive and of deepening the reforms. [passage omitted]

(Hu Shuli) said in his report that the province's budgeted financial revenue for 1987 was 6,124 million yuan, and the actual figure fulfilled was 6,201 million yuan, showing a rise of 14.7 percent over 1987. He said that the principles for arranging the budget for 1988 are to vigorously support the development of production, increase output and revenue, improve economic returns, actively cultivate and open up new revenue sources, and ensure the steady growth of revenue. It is necessary to

seriously implement the spirit of restrictions and cuts and the principle of living within our means, and cut non-productive construction and the excessive growth of consumption funds. We must arrange and spend capital in a rational way, so as to ensure wages, reforms, and the focal points. We should further improve the urban and rural living standards on the basis of improved improved economic returns from the development of production. We should achieve a balanced budget by strengthening macroeconomic readjustments and controls and perfecting the budget management system.

Zhang Shude presided at the afternoon session. [passage omitted]

Henan's Yang Addresses CPPCC Committee
*HK160441 Zhengzhou Henan Provincial Service
in Mandarin 2300 GMT 14 Jan 88*

[Excerpts] The First Session of the Sixth Henan Provincial CPPCC committee was solemnly opened yesterday [14 January] at the Henan People's Assembly Hall. [passage omitted]

Attending the opening ceremony of the session and sitting on the rostrum in the assembly hall were the following responsible persons from the provincial party, government, and military organizations: Yang Xizong, Cheng Weigao, Zhao Di, Yao Minxue, Hu Xiaoyun, Zhang Shude, Lin Yinghai, (Shan Jingwu), Qin Kechai, Song Zhaosu, Han Jingcao, (Zhang Shixia), Guo Tan, Yue Xiaoxia, Lin Xiao, Ji Hanxing, Wu Shaokui, Ding Shi, Guo Peiyun, Fan Lian, Hu Tingji, and (Dong Guoqing).

Also attending the opening ceremony of the session were Li Ming, president of the provincial Higher People's Court, Zhao Wenlong, chief procurator of the provincial people's procuratorate; (Zhao Wenfu) and Wang Huayun, former chairmen of the provincial CPPCC Committee; and Cui Guanghua, Hao Fuhong, Ren Leiyan, and (Zhang Fengding), former vice chairmen of the provincial CPPCC Committee.

The current provincial CPPCC Committee comprises 729 members from 24 sectors. The three new sectors added to the committee are: The Jiu San Society, the Chinese Peasants and Workers Democratic Party, and the sector comprising Taiwan compatriots and their family members on the mainland. [passage omitted]

During the session Yan Jimin delivered the opening speech; and Song Yuxi, chairman of the fifth provincial CPPCC Committee, delivered the Work Report by the Fifth Henan Provincial CPPCC Committee Standing Committee. [passage omitted]

In his speech at the opening ceremony Yang Xizong, secretary of the Henan Provincial CPC Committee, extended warm congratulations on the opening of the session, fully affirmed the important role played by

CPPCC Committees at all levels in promoting the building of the two civilizations since the first session of the fifth provincial CPPCC Committee, and expressed a five-point expectation for the work of the sixth provincial CPPCC Committee.

First, we must do well in conscientiously studying the documents from the 13th National Party Congress and actively implement the spirit of the 13th National Party Congress. [passage omitted]

Second, we must further expand and strengthen our province's patriotic united front, and give full play to the functional role played by CPPCC Committees in promoting political consultations and democratic supervision. [passage omitted]

Third, we must give full play to the role played by CPPCC committees in attracting all types of talented and qualified personnel for the purpose of serving the building of socialist material and spiritual civilizations in our province.

Fourth, we must actively promote the motherland's reunification. [passage omitted]

Fifth, we must further strengthen the organizational building of CPPCC committees in our province. [passage omitted]

PRC Kuomintang Officials Send Condolences

Chairman Praises Chiang

OW151852 Beijing XINHUA in English 1433 GMT
15 Jan 88

[Text] Beijing, January 15 (XINHUA)—Chairman Zhu Xuefan and Vice-Chairmen Qian Changzhao and Jia Yibin of the Central Committee of the Revolutionary Committee of the Chinese Kuomintang sent condolences to Taipei today for the death of Chiang Ching-kuo.

Chiang Ching-kuo, chairman of the Chinese Kuomintang in Taiwan, died January 13.

In the message to Chiang's funeral committee, Zhu praised Chiang for his stand on reunification and democratic openness, voiced regret that Mr Chiang would not be able to see China's reunification, and expressed sympathy to Chiang's widow Fang-liang and other members of the family. [passage omitted covered in previous items]

'Deepest Sympathy' Expressed

HK180726 Beijing XINHUA Hong Kong Service
in Chinese 0918 17 Jan 88

[Report: Sun Yueqi Sends a Message of Condolences on Chiang Ching-kuo's Death"]

[Text] Beijing, 17 Jan (XINHUA)—Sun Yueqi, vice chairman of the Revolutionary Committee of the KMT [Kuomintang], sent a message of condolences on Chiang Ching-kuo's death. The full text of the message is as follows:

The Taipei City Funeral Committee for Mr Chiang Ching-kuo:

I was shocked to learn of Mr Chiang Ching-kuo's death. I am sending a message of condolence on his death and am also expressing my deepest sympathy for Mrs Chiang.

Sun Yueqi

Democratic Party Leaders Send Condolences

OW171552 Beijing XINHUA Domestic Service
in Chinese 1829 GMT 16 Jan 88

[Text] Beijing, 16 Jan (XINHUA)—Zheng Dongguo and Hou Jingru, vice chairmen of the Revolutionary Committee of the Chinese Kuomintang, today sent separate messages to the Chiang Ching-kuo Funeral Committee to condole Chiang's death.

Zheng Dongguo's condolence message reads: "I am shocked and greatly saddened by Mr Chiang Ching-kuo's death. Forty years have elapsed since we separated in northeast China in 1948, and I could never forget our friendship. As the atmosphere on both sides of the strait

has become increasingly conciliatory, I thought the time for our reunion would come. How regrettable it is that the separation is now permanent! I wish to express my condolences on his death, and please convey sympathy to Mr Chiang Ching-kuo's family on my behalf."

Hou Jingru's condolence message reads: "I am greatly saddened by the grievous news of Mr Chiang Ching-kuo's death. Our separation in Taiwan 40 years ago has always been in my memory. I was expecting a reunion with him when the motherland was reunified, but now my old friend has withered away and the separation is permanent. How sad it is! I wish to express my condolences on his death and my cordial sympathy to Mr Chiang Ching-kuo's family."

XINHUA Reports Chiang's Scheduled Funeral

OW161921 Beijing XINHUA Domestic Service
in Chinese 1826 GMT 16 Jan 88

[Text] Hong Kong, 16 Jan (XINHUA)—According to reports from Taipei, Taiwan's "Chiang Ching-kuo Funeral Committee" held its first meeting today and decided that the funeral for Chiang Ching-kuo will be held on 30 January.

The meeting was presided over by "president" Li Denghui and attended by most committee members and Chiang Ching-kuo's relatives.

At a press briefing after the meeting, Shao Yuming, director of Taiwan's "Information Bureau," said that Chiang Ching-kuo's remains will be temporarily placed in Daxi Town in Taoyuan County after the body is placed in its coffin on 30 January and then transported back to the mainland for burial in the future. The rites and place for the ceremony to place the remains in the coffin have not been decided yet.

'Future Lies in Peaceful Reunification'

OW160914 Beijing XINHUA in English 0854 GMT
16 Jan 88

[Text] Beijing, January 16 (XINHUA)—Taiwan's future lies in peaceful reunification with the mainland and not in strident calls for "independence", the latest issue of the Taiwan-based CHUNG HUA magazine says quoting participants in a recent forum on the subject.

At the forum sponsored by Taiwan "Summer Wave" Federation, former magistrate of Kaohsiung County, Yu Teng-fa said Taiwanese originally came from the mainland and so, as Chinese, they should not forget their ancestors.

He said most of Taiwan's resources are from foreign lands and that ties with the U.S. Have created a trade imbalance and demands for a devaluation of the Taiwan currency.

More than 7,000 Taiwan businesses have no money to earn, he said. If the situation continues, factories will go bankrupt, unemployment will rise and people will go hungry. If that happens what is the value of "independence"? He asked.

He said that so long as Taiwan pursues democratic politics and reunites with the mainland, workers and resources on both sides will supplement one another for mutual prosperity.

Chou He-yuan, former member of the Central Committee of the Cultural Association, said that during the Japanese occupation, he advocated independence of Taiwan to oppose Japan. But no longer.

"An old man of 85, my only wish is to realize the peaceful reunification of the motherland as soon as possible," he said.

Wang Tsin-ping, chairman of the Central Committee of the Labor Party, urged reunification, too, and Wang Hsiao-po from the Society of Taiwan History said mutual exchanges across the Taiwan Strait should be resumed as the first step.

Hu Chiu-yuan, publisher of CHUNG HUA magazine, took strong issue with those who oppose reunification on the basis the mainland is too poor and "doesn't even have a flush toilet."

The mainland has atom bombs and man-made satellites, he pointed out. "The great cause of reunification should not be delayed by the flush toilet problem," he said.

Pro-Independence Defendants Sentenced
HK160823 Hong Kong AFP in English 0811 GMT
16 Jan 88

[By Hsin-hsin Yang]

[Text] Taipei, Jan 16 (AFP)—Police scuffled briefly with people outside a court here Saturday as two men were given lengthy jail sentences for advocating Taiwan's independence which was resolutely opposed by late President Chiang Ching-kuo.

Despite a 30-day ban on demonstrations following the death of Mr. Chiang Wednesday about 30 people gathered under grey skies at the high court building close to the Presidential Building in the centre of the capital, witnesses said.

They argued with police and some of them scuffled briefly with about 30 policeman outside the building after the hearing, the witnesses said. There were no injuries and no arrests, the witnesses added.

Tsai Yu-chuan, 38, drew an 11-year sentence and Hsu Tsao-teh, 51, [drew] 10 years after being convicted of sedition, court sources said. They were deprived of their civil rights for five years, the sources added.

The men's lawyers told reporters that the two would appeal against the conviction in about 10 days.

Both men had been jailed previously after being involved in political protests.

Only lawyers and close relatives were allowed into the court room and police prevented Mrs. Tsai from embracing her husband after the sentences had been announced. Mrs. Tsai spat at police and shouted "Long live Taiwan," witnesses said.

The court had been told that the two—both members of the island's native Taiwanese majority—advocated independence for Taiwan in the charter of the Formosan Political Prisoners' Association at the group's inaugural meeting in August.

The charter was accepted by the meeting making it the first time any political group had publicly advocated independence for this island which is the stronghold of the Nationalists since they were ousted by the communists in 1949.

The Nationalists say they are the government of all China but Beijing treats Taiwan as a breakaway province.

Mr. Chiang strongly opposed any call for independence and Beijing—which is committed to recovering the island—also scowls at any mention that Taiwan should strike out on its own, observers said.

Given the delicate nature of the transition period after Mr. Chiang's death there had been speculation here that the final hearing in the independence trial could be postponed.

The main opposition grouping, the Democratic Progressive Party (DPP), has stood back from publicly advocating independence preferring to talk of self-determination.

The United Daily News—closely linked to the ruling Kuomintang (KMT)—reported Saturday that the KMT would agree to the DPP being able to mention the idea of self-determination in its published party platform.

"The KMT has agreed as long as the DPP makes it clear that they are not calling for Taiwan's independence," the newspaper reported.

The newspaper also reported that the KMT and the DPP had agreed to postpone further discussion on legislation which would allow the setting up of new political parties.

The DPP is technically illegal under the existing laws, but managed to win 12 seats in the Legislative Yuan and 11 in the National Assembly in December 1986 elections, taking 23.5 per cent of the votes.

Party leaders agreed to drop discussion of the law in the current session of the Legislative Yuan, scheduled to end January 22, "for the sake of social harmony" in the month-long period of mourning for Mr. Chiang, it said.

Government Reaffirms 'No Contact' Policy
OW151543 Taipei CNA in English 1513 GMT
15 Jan 88

[Text] Taipei, Jan. 15 (CNA)—The Executive Yuan reaffirmed Friday, 2 days after the passing of President Chiang Ching-kuo, that there had been no change in the government's anti-communist position of "no contact, no talks, and no compromise" with the Chinese communists.

The cabinet made its statement in a written reply to Legislator Pan Chih-cheng's interpellation, which questioned the government whether it would open direct trade with the Chinese mainland.

The Executive Yuan said it was not appropriate for local businessmen to trade with their mainland counterparts because the economic system under the communists was totally different from those of free nations. If there were any sudden policy changes on the mainland, local businessmen would suffer losses, it said.

Moreover, the statement said, since the Chinese communists had never ceased their attempts to invade Taiwan, they might take advantage of conditions to upset the industrial development and disturb the economic order in Taiwan.

Li Teng-hui Meets With U.S. Congressman
OW190742 Taipei CNA in English 0313 GMT
19 Jan 88

[Text] Taipei, Jan. 19 (CNA) — President Li Teng-hui received U.S. Congressman Stephen J. Solarz (D-N.Y.) and discussed with him the prospects and related problems about the relations between the Republic of China [ROC] and the United States at the presidential office Monday.

President Li said under the guidance of the three principles of the people, the ROC Government has been pursuing national development in line with a well-planned and integrated strategy over the past 30-odd years.

"From agricultural development to general economic development and to the currently expedited political reforms, all measures have been taken in accordance with well-designed and consistent policies," the president said.

President Li pointed out that the implementation of the 10 major construction projects and the lifting of the nation's emergency decree are all phased operations the government has undertaken according to a consistent strategy.

"With the formation of the middle class and the promotion of education, the ROC is sure to continue to progress in a stable environment and thus advance with confidence into the 21st century," he said.

On the strengthening of the ROC's central parliamentary organizations over which Solarz has expressed concern, President Li said the late President Chiang Ching-kuo had instructed in principles that necessary measures that comply with the Constitution and meet the actual needs of the present should be adopted step-by-step to strengthen the functioning and to expand the representation of the parliamentary bodies.

As to so-called "self-determination" advocated by some opposition political figures, President Li said that "self-determination was advocated by the people of colonies ruled by foreign countries and there should be no such problem in the ROC because it is a sovereign country."

"I am a native Taiwanese and I am a Chinese; facing the threat of the Chinese Communists, we should be open-minded and farsighted, keeping our eyes on the Chinese mainland," President Li stressed.

During the one-hour meeting, Solarz reiterated that he believes both the U.S. and the ROC, based on their common interests and ideas, should enhance their cooperation in the future.

President Li said the ROC Government will follow the testament of the late President Chiang to speed up democratization in the nation.

Also present at the meeting were Presidential Secretary-General Shen Chang-huan, Vice Foreign Minister John H. Chang, and David Dean, director of the Taipei office of the American Institute in Taiwan.

Paper Reports Premier Yu To Offer Resignation
OW170712 Taipei International Service in English
0200 GMT 17 Jan 88

[Text] The mass-circulation UNITED DAILY NEWS reported Saturday that Premier Yu Kuo-hua will offer his resignation in the next few days to show his respect to the new president. However, President Li Teng-hui is expected to ask Yu to remain at his post.

Premier Yu reportedly instructed his aides to study whether he should resign after Li was sworn in earlier this week following the passing of the late President Chiang Ching-kuo. After careful study, the premier's aides told him that he does not have to resign in accordance with the provisions of the Constitution. Still, Premier Yu decided to tender his resignation to show his respect to President Li. Li reportedly has decided to ask Yu to continue his tenure in order to maintain political stability in this country.

Kuomintang Discusses Future Chairmanship

Poll Favors Li

HK170256 Hong Kong SUNDAY STANDARD in
English 17 Jan 87 pp 1, 3

[By Chan Waw-fong]

[Text] Taipei—The ruling Kuomintang (KMT) is expected to make President Li Teng-hui the new KMT chairman, placing a native Taiwanese fully in control of the country for the first time, according to well-placed party sources.

The sources said that barring an unexpected development, the KMT will give the top post to President Li, who was sworn in as president on the death of President Chiang Ching-kuo last Wednesday.

President Li is the island's first native-born ruler since the Nationalist Chinese government was established in Taiwan after the communist revolution in 1949.

The sources, who asked not to be named, said a secret poll conducted by the KMT's policy-making Central Standing Committee showed its 31 members were "overwhelmingly" in favour of Li taking over as chairman.

The post was made vacant by the death of President Chiang last week.

But the Central Standing Committee has tentatively decided to keep the top party position open until the next KMT National Congress scheduled for July 7, rather [than] convene a special meeting to name a caretaker chairman.

Reports said the KMT would be run by the Central Standing Committee in the absence of a chairman.

The late President Chiang's funeral ceremony will take place on January 30.

His body will be moved from the Veteran General Hospital to the Martyr's Shrine in northern Taipei for the public to pay their respects from next Friday until January 28.

He will be buried at Ta Hsi village, Taoyuan country. Generalissimo Chiang Kai-shek, the father of the late president, was buried at Tzu Hu estate, adjoining the village.

The funeral committee, chaired by President Li, decided that the Veteran General Hospital would be renamed the "Ching-kuo Memorial Hospital" in honour of the late president.

It was also decided that members of the funeral committee would take turns to wait at the side of the late president's body in the Martyr's Shrine between January 22 and 29 every day from seven in the evening to seven in the morning. President Li will join in the vigil.

Spokesman for the funeral committee and the director general of the Government Information Office, Mr Shaw Yu-ming, declined yesterday to comment on China's response to the president's death.

He said the KMT had rejected any form of party-to-party negotiation suggested by the mainland. "Gestures along that line before or now will not be accepted," said Mr Shaw.

But a prominent Chinese dissident, Professor Fang Lizhi, said yesterday that he believed leaders of China and Taiwan would try to solve any political problems encountered on the issue of reunification.

Professor Fang was speaking in an interview conducted by the U.S. correspondent of Taiwan's mass-circulated newspaper, the UNITED DAILY NEWS.

He said he knew about President Chiang's death, but when asked to comment on the impact of his death on the reunification of China and Taiwan, Professor Fang said he knew very little about the late president.

He said that because both China and Taiwan had the same culture, they would reunify, and leaders of both countries would strive to solve any political problems encountered.

The UNITED DAILY NEWS also reported yesterday that Premier Yu Kuo-hwa, the number two man in the KMT after the death of President Chiang, had expressed a desire to resign. But President Li had tried to dissuade him, said the report.

Political analysts said Premier Yu's move was intended to show he respected the new president's discretion to form his own cabinet and appoint a new premier.

Sources said that a poll conducted by the KMT Central Standing Committee had overwhelmingly killed a proposal to make Premier Yu the party chairman.

Poll Existence Denied

HK170550 Hong Kong AFP in English 0443 GMT
17 Jan 87

[TEXT] Taipei, Jan 17 (AFP)—A member of the central standing committee of Taiwan's ruling Kuomintang (KMT) Sunday denied that a private poll of the committee had shown overwhelming support for the appointment of President Li Teng-hui as new party chairman.

The report, published in newspapers here, said the private poll of the committee—the KMT's policy-making body—had been "conducted quietly" and had shown that its 31 members were overwhelmingly in favour of Mr. Li.

The report said the poll had killed a proposal to give the chairman's post to Premier Yu Kuo-hwa.

"It is not possible ... the poll does not exist," a committee member, who declined to be named, told AGENCE FRANCE-PRESSE.

Mr. Li, a native-born Taiwanese, was sworn in as Taiwan's president Wednesday after the death of Chiang Ching-kuo, who was also chairman of the KMT.

If Mr. Li was named to the post of party chairman it would mean that the KMT would be run by a native Taiwanese for the first time. Of the committee's members, 14 are native Taiwanese.

The normally authoritative UNITED DAILY NEWS, which is close to the KMT, has reported that the central standing committee is scheduled to meet on Wednesday.

Postpones Selection

HK170354 Hong Kong ZHONGGUO TONGXUN SHE
in Chinese 1007 GMT 16 Jan 88

[Text] Hong Kong, 16 Jan (ZHONGGUO TONGXUN SHE)—Taipei dispatch: It has been learned that the KMT [Kuomintang] Central Committee has decided in principle that under the present circumstances, it will not, for the time being, elect a new chairman to fill the vacancy resulting from the death of the late KMT

President Chiang Ching-kuo. The candidates for the chairmanship will be determined later this July when the "13th KMT National Congress" is convened.

At present, routine party affairs of the KMT Central Committee will continue to be exercised by the "system of the Central Committee Standing Committee members taking charge in rotation," as was the case under Chiang Ching-kuo.

According to the analysis of observers here, the KMT has decided in principle not to elect a new chairman for the time being based on the following considerations: First, Chiang Ching-kuo personally decided that the "13th KMT National Congress" was to be convened on 7 July this year, when new organizational arrangements and political decisions would be made. Therefore, the election of candidates for a transitional chairmanship would have little positive significance and could even affect inner-party unity and will. Second, for some time the KMT Central Committee has followed the system of "Central Committee Standing Committee members taking charge in rotation." This system has proved healthy. And third, at a time when funeral arrangements are under way, personalities in the top echelon will not touch the topic of selecting candidates to succeed the president.

Government Will Continue Political Reforms

Moves Could 'Embarass' PRC

HK180138 Hong Kong AFP in English 0128 GMT
18 Jan 88

[By Claudia Mo]

[Text] Taipei, Jan 18 (AFP)—Taiwan's moves towards greater democracy could embarrass China as they would widen the gap between the two countries' political structures, analysts said here.

A more democratic Taiwan would also present what Beijing could see as a dangerous example for Hong Kong, where calls swell for more democracy before the British colony's return to China in 1997, the analysts said.

President Chiang Ching-kuo, who died Wednesday, initiated political reforms here including lifting martial law—in force for more than 38 years—and allowing opposition politicians to campaign for parliamentary seats as members of a party.

The opposition Democratic Progressive Party (DPP), still technically illegal, won 23.5 per cent of the votes in the December 1986 elections for the Legislative Yuan and the National Assembly.

The ruling Kuomintang (KMT) is expected to approve soon further reforms including measures to rejuvenate Taiwan's ageing Congress, the INDEPENDENT EVENING POST has reported.

The KMT, which fled here from the mainland after being routed by the communists in 1949, says the Congress represents all of China. Eight-five per cent of the more than 1,100 members were returned before 1949 from constituencies on the mainland.

Beijing considers Taiwan a breakaway province and, as with Hong Kong and the Portuguese-administered territory of Macao, intends to recover it.

Among other proposed reforms here is a law that would legalise new parties and enable them to register without first having their policies vetted.

Apart from the DPP, five other minor parties have been established.

As Taiwan has edged towards more democracy, China's political structure has remained frozen in the communist mould, with the Chinese Communist Party maintaining absolute power.

The Chinese authorities clamped down in December 1986 on widespread student demonstrations for more freedom and democracy that sparked a campaign against Western influences and led to the downfall of then party general secretary Hu Yaobang in January 1987.

"Beijing certainly doesn't like Taiwan becoming too democratic...after all they are communists," Ting Pang-hsin, of the government's research Academic Sinica told AGENCE FRANCE-PRESSE.

"China wouldn't like Taiwan pushing ahead with democratisation, but it can't do anything about it," agreed Jin Sheng-Pao, a political science professor at the National Chengchi University.

He said moves towards more democracy should be made "slowly and softly" as rapid reforms could "excite Beijing and trigger drastic reaction."

China has said it would not rule out using force to get Taiwan back.

Under a Sino-British pact, Hong Kong is to enjoy "a high degree of autonomy" while retaining its capitalist system for 50 years after 1997.

But despite this agreement, people there worry that the territory could be subjected to authoritarian communist rule after 1997, as Beijing has voiced disapproval of calls by Hong Kong people for more democracy before the handover.

Hong Kong's London-appointed government has been accused by critics of having bowed to Chinese pressure over not having direct elections to the territory's legislative body.

China has been using the Hong Kong model of one country, two systems, to entice Taiwan into reunification. But it could be that a more democratic Taiwan would set an example for Hong Kong, analysts said.

"As Taiwan goes ahead with political reforms, Hong Kong people would certainly demand more democracy and this would set a dangerous example in Beijing's eyes," said Mr. Jin.

As Beijing looked to the handover of a docile Hong Kong in 1997, it could find the push for democracy here "extremely unsettling," said Mr. Ting.

Not Affected by Chiang's Death
HK190221 Hong Kong ZHONGGUO TONGXUN SHE
in Chinese 0936 GMT 17 Jan 88

[Report: "Taiwan's New Policy-Makers Say the KMT's Political Reform Program Will Not Be Affected by the Passing Away of Chiang Ching-kuo"—ZHONGGUO TONGXUN SHE Headline]

[Text] Hong Kong, 17 Jan (ZHONGGUO TONGXUN SHE)—Taiwan newspapers today reported that the new decision makers of the KMT [Kuomintang] in Taiwan have agreed that the feasibility study on political reform for Taiwan must not be affected by Chiang Ching-kuo's passing away but be carried on according to the original plan. The 12-member KMT group for political reform will meet tomorrow to discuss a program on the "strengthening of the central representative body." It is expected that this program will be adopted without a hitch and be submitted to the KMT Central Committee Standing Committee for approval and implementation in the near future.

The report said: Chiang Ching-kuo was deeply concerned with the KMT's political reform program. Just on the eve of his death, Chiang met with Li Huan, secretary general of the KMT Central Committee, to inquire about the progress made in the program. Therefore, after Mr Chiang Ching-kuo passed away, the KMT's new decisionmaking stratum decided to carry on the study of the reform program as planned, so as to fulfill Mr Chiang's behest.

The 12-member group has decided to meet again tomorrow to discuss the program on the "strengthening of the central representative body." Another program on the establishment of a legal system for local autonomy will also be discussed very soon. The members of the Standing Committee of the KMT Central Committee who have participated in today's meeting have agreed in principle to the program concerning the central representative body, but their opinions vary on the number of additional delegates to be elected.

The program on "establishing a legal system for local autonomy" has also been approved in principle. According to this program, the provincial governor and mayors,

who used to be appointed by the government, will be nominated subject to ratification by the relevant assemblies. To put it more precisely, the provincial governor and mayors of cities directly under the jurisdiction of the Executive Yuan will be nominated by the Executive Yuan and be appointed on the basis of ratification by the relevant provincial assembly and city assemblies. Meanwhile, as a step toward the establishment of a legal system for local autonomy, the Legislative Yuan is to draw up organic rules for the Taiwan provincial government, the Taipei municipal government, and the Kaohsiung municipal government, as well as their assemblies.

Li Studying Reforms
OW180759 Taipei CNA in English 0323 GMT
19 Jan 88

[Text] Taipei, Jan. 19 (CNA) — The proposal on "strengthening the central parliamentary bodies" was discussed during a Kuomintang [KMT] Central Standing Committee's 12-man panel meeting Monday presided over by President Li Teng-hui, indicating that the ruling party's determination to continue carrying political reforms has not changed, Shaw Yu-ming, director-general of the Government Information Office [GIO], said Monday.

The KMT panel meeting, however, did not reach any conclusion on the proposal, because the participants had different opinions on some technical problems, he said at a GIO press conference.

Shaw, briefing over 50 foreign reporters who are in Taipei to cover President Chiang Ching-kuo's passing and President Li's ascension to the presidency, spoke of the Republic of China's [ROC] constitutional functioning and current social and economic situations.

Although ROC citizens felt deep sorrow at President Chiang's passing, they have turned grief into strength in their mourning for the great national leader, Shaw said.

He cited the three-day rise of share prices on the local stock market to show continued investor confidence in the nation's economic development.

Shaw stressed that as the ROC has laid a solid foundation for constitutional democracy, both the government and private sector are functioning as normal after President Chiang's death.

CPC Reactions to Chiang's Death Discussed

'Some Deficiencies' Exist
HK160920 Hong Kong ZHONGGUO TONGXUN SHE
in Chinese 0815 GMT 16 Jan 88

[Article by Yi Lan (0122 5663): "Commenting on the Way the CPC Reacted to Chiang Ching-kuo's Passing Away"]

[Text] [no place name as received] 16 Jan (ZHONGGUO TONGXUN SHE)—Soon after Chiang Ching-kuo, president of the KMT [Kuomintang], sadly passed

away, there were some reactions from the CPC. Some of these reactions are liberal and broad-minded. However, it seems that there are still some deficiencies. On the night Chiang Ching-kuo passed away, Beijing CCTV reported this news by way of captions. Although it did not comment on it, its quick reaction and its use of the phrase "pass away," which is suggestive of a sympathetic attitude, are indicative of more appropriate conduct than when it reported the news of Chiang Kai-shek's death on 5 April, 1975.

The day after Chiang Ching-kuo's death, the CPC Central Committee cabled the KMT Central Committee to express its "deep regret." In addition to reiterating "our party's principle of the peaceful reunification of the motherland," General Secretary Zhao Ziyang of the CPC Central Committee also spoke favorably of Chiang Ching-kuo. That was the first time CPC leaders had ever spoken favorably of KMT leaders in the 40 years or so since the breaking off of relations between the KMT and the CPC in 1946. Therefore, this is unusually significant. People both at home and abroad are pleased with this. Even Western commentators have shown their approval. According to some Western analysts, "At this crucial moment, crucial as far as the KMT is concerned, Beijing's posture is such that it indicates that China hopes to keep various channels open and conduct dialogue with Taiwan."

However, in his speech affirming Chiang Ching-kuo's achievements, Zhao Ziyang only mentioned Chiang's adherence to the principle of "one China," his opposition to the "independence of Taiwan," his patriotism in advocating the unification of China, and some efforts he made in relaxing the situation in the Strait. He did not touch upon the economic miracles that Chiang had achieved during his rule in Taiwan over the past 10 years or so. These miracles were precisely Chiang's greatest feat and what the Mainland should learn from. After all, the per capita annual income in Taiwan Province was \$6,200, approaching the level of developed nations or regions. Today, Taiwan's foreign exchange reserves rank second in the world, and first on a per capita basis.

The mainland media was not too bad about rapidly reporting the death of Chiang Ching-kuo. However, it was a day late in reporting the succession of Li Teng-hui as president. Such handling of this fact was not convincing enough and was not helpful to either the media itself or its readers.

However, from an historical angle, the CPC's reaction to the passing away of Chiang Ching-kuo has been very appropriate on the whole. This has added hope both for the further relaxation of relations between the two sides of the strait and for the eventual peaceful unification of China.

'Generally Received Positively'

HK170734 Hong Kong SOUTH CHINA SUNDAY
MORNING POST in English 17 Jan 88 p 2

[By Terry Cheng]

[Text] Taipei—Beijing's initial response to the death of President Chiang Ching-kuo was generally received positively in the Taiwan capital.

Major newspapers published in the breakaway province carried condolences issued by the Central Committee of the Chinese Communist Party [CCP] and its General Secretary, Zhao Ziyang.

Mr Chen Li-sheng, an associate professor of Ching Hua University, said the CCP and Mr Zhao wanted to make use of the chance to bring about a "breakthrough" in the relationships.

"It is expected that they will have further moves," he said.

Mr Chen, who is involved in the formulation of the ruling Kuomintang's [KMT] Mainland policy, said the fact that the condolences of the Communists were issued to the KMT on a party-to-party basis meant for a dialogue on an equal footing.

And it avoided the sensitive question of naming of Nationalist Government which claims to represent the whole China he said.

He said Mr Zhao had hinted in his condolences that the communists would not use force against Taiwan when it was making a power transfer.

In reality, the Communists were not able to use force given their internal and external situations, he said.

"They try to win the goodwill of the new leadership of the Republic of China and the people at large," Mr Chen said.

He said the new leadership would continue to adhere to the anti-communist policy and to achieve the goal of reuniting China under the Three Principles of the People (nationalism, democracy, and people's livelihood).

Other political analysts in Taiwan said the CCP's condolences were in fact a test of the new leadership's response and Beijing might propose the late president's relatives on the Mainland to attend his funeral.

The analysts also said the communists might believe that KMT's basic policies would not change, but they might hope that the policies would adjust a little.

XINHUA Officials' Remarks Given 'Short Shrift'
*HK181050 Hong Kong AFP in English 1017 GMT
18 Jan 88*

[Text] Taipei, Jan 18 (AFP)—Taiwan gave short shrift Monday to news that Chinese officials in Hong Kong would mourn the death of president Chiang Ching-kuo "in an appropriate form."

"The remarks are just united-front tactics," said an official at the Government Information Office (GIO) here, using Taipei's catch-phrase for what it considers mainland propaganda.

Xu Jiataun, head of the New China News Agency (NCNA) office in Hong Kong, had said Sunday that mainland officials based in the British territory would mourn Mr. Chiang's death last Wednesday "in an appropriate form."

NCNA acts as Beijing's de facto representative in Hong Kong.

"We will do it from the point of view of the two parties' cooperation and reunification of the country," Mr. Xu said.

He added that Mr. Chiang's body could be shipped to the mainland "anytime" for burial in his family's native Zhejiang Province.

The GIO official said Taiwan would not send the late leader's remains to the mainland until political control of all China had been wrested from the Communist Party.

Taiwan's ruling Kuomintang (KMT) Party, then led by Mr. Chiang's father Chiang Kai-shek, lost control of the mainland in 1949 after a civil war against the communists led by Mao Zedong.

"We have only read about the offer of the burial site on the wire services and cannot confirm that the offer has been made," the GIO official said. The KMT has a policy of no contact, no talks and no compromise with Beijing.

Taipei had announced Saturday that Mr. Chiang, who was 78, will be buried at a country estate in Taiwan on January 30 after a state funeral. Taipei has shunned requests from China to send delegates to the funeral.

The burial ground in Taiwan is officially considered a temporary resting place, as the KMT has said Mr. Chiang would be permanently reburied on the mainland when communist rule ends there.

Mr. Xu refused to say whether NCNA officials would attend planned memorial service for Mr. Chiang at a pro-Taiwan education institute in Hong Kong.

Scuffles broke out Sunday between dozens of mourners and a group of anti-Taiwan protestors outside the institution, Chu Hai College, in the territory's working-class Mong Kok district.

Fists and insults were traded after members of a religious sect called the New Testament Religious Society distributed pamphlets critical of Mr. Chiang.

The group claimed that some 20 of its members had been unjustly imprisoned in Taiwan. Police said there were no injuries and no arrests.

Legislature Limits Opposition Demonstrations
*OW190847 Taipei CHINA POST in English
13 Jan 88 p 4*

[Editorial: The Passage of the Demonstration Bill]

[Text] The passage of the demonstration bill Monday afternoon by Legislative Yuan members in spite of obstructionist tactics by Democratic Progressive Party (DPP) members should effectively reduce street demonstrations and disorderly conduct of the opposition.

After the promulgation by the president, the bill should be implemented by the police and law enforcement authorities without delay.

[Kuomintang] KMT members should be congratulated in making all necessary concessions to DPP members in discussing the wording and scope of the bill. They could have ignored the DPP's demands as the latter constitutes a very small minority in the legislature. But they preferred to calmly discuss the issues with them and even tolerate their obstructionist tactics and disorderly conduct during sessions in order to reach a consensus agreement.

DPP members, however, made a big mistake by walking out of the meeting as it facilitated Legislative Yuan members to pass the bill without opposition. They should realize their fatal mistake in behaving the way they did as the majority of the public do not like or tolerate such behavior. They should cease to be a rowdy and obstructionist group but should behave like members of a real political party responsive to the nation's welfare.

May the passage of the demonstration bill provide an object lesson to the DPP members.

Country 'Stable' After Chiang's Death
*HK151452 Hong Kong ZHONGGUO XINWEN SHE
in Chinese 1348 GMT 15 Jan 88*

[Text] Hong Kong, 15 Jan (ZHONGGUO XINWEN SHE)—A dispatch from Taipei says that Taiwan society remains stable and its political and economic activities are proceeding normally after Chiang Ching-kuo's death.

As ordered by the Taiwan authorities, the island will stop recreational activities for 3 days from 14 to 16 January. The authorities have also decided that a 30-day mourning will be held for Chiang Ching-kuo during which all gatherings, demonstrations, and petitions are forbidden. On the night of Chiang Ching-kuo's death (13 January), the Democratic Progress Party instructed all its party members to stop all demonstrations.

Taipei and other cities have remained calm over the last 2 days since Chiang Ching-kuo's death. Since the early morning of 14 January, important figures from party, government, and military circles in Taiwan have come to the Huaiyuan Hall of Veterans Hospital in Taipei to pay their respects to Chiang Ching-kuo's remains. A funeral committee has been formed for Mr Chiang but no specific date has been designated for his funeral ceremony.

Taiwan's CHINA TIMES, UNITED DAILY NEWS, and TAIWAN TIMES today published messages of condolences from the CPC Central Committee and General Secretary Zhao Ziyang as well as his remarks. These newspapers assert that this is a "CPC united front offensive."

Armed Forces Vow To Rally Under President Li
*OW160621 Taipei CNA in English 0252 GMT
16 Jan 88*

[Text] Taipei, Jan. 16 (CNA)—Defense Minister Cheng Wei-yuan and chief of the General Staff Gen. Hao Pei-tsun pledged Friday that the Republic of China's armed forces will follow the late President Chiang Ching-kuo's last testament and rally under President Li Teng-hui to accomplish the sacred mission of national recovery.

Cheng said at a press conference that the news of President Chiang's passing had met with shock and grief among the servicemen.

He recalled that the late president had worked until Jan. 12, the day before his death. The late president summoned him that morning, inquiring about the ministry's work and giving instructions, Cheng said.

Cheng pointed out that the nation's armed forces, who are responsible for safeguarding national security and social stability, should turn sadness into strength and heighten vigilance against the enemy's invasion attempts. "Should the enemy dare to attack Taiwan we will surely destroy them," he added.

The late president had devoted himself to his life-long revolution to perform political and economic miracles for the nation, the defense minister said. The armed forces will rally to the support of President Li Teng-hui to carry out the late president's unfinished task of mainland recovery, he said.

Gen. Hao also pledged the armed forces' loyalty to president Li. He stressed that upholding the nation's freedom and independence is their duty. They will all stand firmly in combating communism and promoting constitutional democracy, he said.

Paper Urges Support for President Li
*OW190843 Taipei CHINA POST in English 15 Jan 88
p 4*

[Editorial: Support Our New President]

[Text] The death of President Chiang Ching-kuo has deprived the Republic of China [ROC] of an inspiring and eminent leader, but fortunately, Vice President Li Teng-hui has taken over as president and will capably lead the nation in its struggle for further progress and development.

Li was sworn in as president only four hours after President Chiang passed away. The prompt and smooth succession is irrefutable evidence that constitutional government is firmly established and in full operation in the ROC and assurance of continued political and social stability.

President Li is well-known for his erudition, insight and uprightness. He holds a doctorate from Cornell University in the United States and has served important posts in both local and central government. His rich experience in administration is an asset that will help him greatly in dealing with state affairs.

Most of all, President Li's background as the son of a miner and the hardships he went through in his youth developed and strengthened his character. As a result, he not only is an admirably competent administrator but, as a person, is straight forward, modest, and broad-minded. His magnetic personality invariably commands the respect and good will of those around him.

For this reason, he won the trust of the late President Chiang Ching-kuo and was chosen as his partner in performing presidential duties. As vice president, he vividly displayed his ability to plan and implement reforms and innovations.

He was the one who convened the Kuomintang Central Standing Coommittee panel responsible for lifting martial law and the ban on new political parties last year. He was also the one who played the leading role in bringing about the change in policy to allow Taiwan residents to go the mainland to visit relatives.

These and other achievements have earned him international renown and have broadened public support of him, and testify to the late president's discernment in choosing him as a partner and a possible successor.

In the speech President Li delivered after being sworn in, he urged the nation to comply with the directives the late president gave in his will by continuing to carry out the tasks of reunifying China under the Three Principles of the People and fully implementing democracy and constitutional government. He also told the nation to remain united and make collective efforts for national reconstruction. These calls should be heeded and unanimously acted upon.

All individuals, groups, and associations, irrespective of political ideals, should cast away their prejudices and preconceptions and join hands in a common effort to maintain stability and national solidarity in the years ahead.

In this regard, the opposition Democratic Progressive Party showed praiseworthy restraint by announcing it would abide by the government decree that all demonstrations and petitions be suspended during the 30-day official period of mourning after President Chiang's death. It is hoped that the opposition will show such restraint while pursuing its aims and goals in the future. Such an attitude will be essential in assuring the unity and security of the ROC during the coming decades.

Admittedly, the ROC will encounter many obstacles and face a multitude of challenges as it forges down the road ahead.

The Chinese Communists have not and will never renounce the use of force against the ROC. Peking's peace overtures are a mere facade and its real intention is to pave the way for a military adventure across the Taiwan Strait.

Then there will be the challenge of a possible economic slowdown due mainly to changes in the international economic situation. The ROC economy may not enjoy the rapid growth it has experienced so far.

Furthermore, our society is undergoing quick changes in many areas. The economic boom has greatly lifted standards of living but at the same time has spawned a social malaise marked by increasing labor disputes and a rising crime rate.

The government under President Li will certainly tackle these and other challenges with courage, vigor and adroitness. We can therefore confidently expect continuous economic prosperity, social stability and national security.

Success in achieving these goals is essential not only for the survival of the ROC on Taiwan but also for the prosperity of the China of the future. Success will depend upon the citizens of this country remaining united and rallying to the support of President Li Teng-hui.

President Li Meets Six Senior Advisers
OW161528 Taipei CNA in English 1420 GMT
16 Jan 88

[Text] Taipei, Jan. 16 (CNA)—President Li Teng-hui Saturday called on six senior advisers to the late President Chiang Ching-kuo to discuss the state of national affairs.

The six were Chang Chun, Yu Ta-wei, Ku Cheng-kang, Hsu Ching-chung and Sun Yun-suan and Chen Li-fu.

During the meetings, President Li briefed them on the state of government operations and asked their opinions on major issues facing the country.

Li told the party elders that he well understood President Chiang's concern for the people because he had followed the late president for many years.

Li said he would chart the course of the nation's future development according to the president's legacy and testament.

Early in the morning, Li also went to the Veterans General Hospital to pay homage to the remains of the late president.

Hong Kong Paper's 14 Jan Edition Banned
HK151113 Hong Kong SOUTH CHINA MORNING
POST in English 15 Jan 88 p 6

[Text] The Taiwanese Government banned the sale of yesterday's edition of the SOUTH CHINA MORNING POST, in apparent response to the POST's coverage of President Chiang Ching-kuo's death.

The POST's distributors in Taipei said the Government Information Office (GIO) had informed them the newspaper could not be sold at news-stands because there was "something wrong" with reports of President Chiang's death.

A spokesman for the distributors said it was normal practice for newspapers to be censored by the GIO before distribution.

The spokesman had been told that the paper could not be sold on the streets, although subscribers were exempt from the ban.

Radio Commentary Welcomes New President
OW171241 Taipei International Service in English
0200 GMT 17 Jan 88

[Station commentary: "Hello, President Li"]

[Text] Four hours after President Chiang Ching-kuo passed away last Wednesday afternoon, his vice president, Mr Li Teng-hui was sworn into office in accordance with the Constitution. As the nation mourns the death of the much loved and respected President Chiang Ching-kuo, it also looks ahead to Li Teng-hui's leadership.

Born in 1923 and raised in the countryside north of Taipei, Mr Li is a farm boy who made good in the big city. As a boy during the period of Japanese occupation, Li helped his grandfather take harvested crops into Taipei by wagon. And, like any other man who reminisces about his childhood, Li calls those the formative years of his life.

As a young adult, Li gradually became unsettled by the backward and impoverished conditions of the countryside of Taiwan. He took a strong interest in agricultural affairs, and later won a scholarship to attend Kyoto Imperial University in Japan. After finishing there, he returned to Taiwan where he finished his collegiate work at National Taiwan University in 1948. For the next 4 years, he taught at the university. In 1952-53, he studied agronomics at Iowa State University in the U.S. When he returned to Taiwan, he went back to teaching.

In 1957, Li began his career in public service. He was a specialist for the Joint Commission on Rural Reconstruction [JCRR], where he worked to fulfill his early dreams of improving conditions in the agricultural community. In 1970, after having gone back to the U.S. for a few years to earn a doctorate degree in agronomics at Cornell University, he was put in charge of the rural economy division of JCRR. During his years at JCRR, Dr Li made a name for himself by helping to spur economic growth in the rural economy.

His big break in public service came in the early 1970's when the then premier, Chiang Ching-kuo, was impressed by a presentation made by Li on agricultural development. Premier Chiang asked Li to come aboard the administration, and within a few short years, Li was on his way to the top.

From 1978 to 1981 he served as mayor of Taipei. He exhibited great leadership in helping to make Taipei a progressive city, and modernized the city's overall planning efforts.

In 1981, he was appointed governor of Taiwan Province. He concentrated on solving administrative problems and also introduced regional planning. The people of Taiwan came to respect him as a man of high intelligence and equally high moral uprightness.

On May 20, 1984, Li was inaugurated as vice president. In that post, he served President Chiang well as a bridge to the man on the street, and the man in the fields.

In recent days, President Li has received the unqualified support from people of all walks of life in the Republic of China on Taiwan. A devout Christian, President Li is respected as a man who can be counted on to look out for the needs and interests of the people. He has also received similar support from friends abroad, who also know him as an intelligent, dedicated public servant, and a man of strong moral convictions.

While mourning the loss of President Chiang, the nation welcomes President Li, and is rallying its support behind him.

Radio Commentary Bids Farewell to Chiang
OW161039 Taipei International Service
in English 0200 GMT 16 Jan 88

[Station commentary: "Farewell, President Chiang"]

[Text] On Wednesday, 13 January, our much-loved and respected president of the Republic of China, Mr Chiang Ching-kuo, passed away at the age of 78. President Chiang was recognized both at home and abroad for his tremendous foresight in matters of development and for his selfless devotion to the people. He left behind the legacy of liberty and prosperity on Taiwan known around the world as the — quote — Taiwan miracle — unquote.

Yesterday we dwelled on President Chiang's life and times; today we comment on his efforts in recent years to lay a foundation for future economic, and particularly political, development. In the past 2 years President Chiang worked hard to build an economic miracle and to engineer a similar political miracle. He forged a series of political reforms that quickened the nation's cadence in the march toward becoming a genuine democratic, open, and pluralistic society. His efforts were hailed around the world by politicians and media and by all our Chinese compatriots and international friends abroad. President Chiang had the foresight to understand that the foundation for democratization needed to be laid by him. He understood that the times had changed and that the Republic of China on Taiwan was ripe for a quickened pace of political progress. He correctly gauged the people's will, and with the prestige of many fine years of leadership behind him, he began taking major steps to meet the people's aspirations for democratic progress.

President Chiang's last period in office was the top of a career of a man whose name became synonymous with progress. The first notable date in 1987 is July 15 — the date the nation's long-standing emergency decree, or martial law, was lifted. That paved the way for a whole series of downstream political liberalizations affecting the right to assembly, demonstration, petition, and even press freedom. From that same day long-standing controls on foreign exchange were eased, giving the people a much wider freedom to handle their financial affairs abroad.

On July 18 a 10-year-old ban on non-business travel to Hong Kong was lifted, giving the people free ride to travel there.

On November 2 a ban on travel to the Chinese Mainland was lifted for those wishing to visit long-lost relatives. President Chiang described this as a humanitarian gesture, not one that affected in any way the government attitude toward the Chinese Communist regime.

On January 1 restrictions on newspaper registrations and restrictions on the number of pages allowed were lifted and eased respectively.

That was the last major liberalization that President Chiang made, but it will not be the last one he made possible. The reform process will continue with the new president, Mr Li Teng-hui, at the helm. President Li has promised that he would exert all his efforts toward making President Chiang's program of progress a reality. As we mourn the passing of President Chiang, we also look ahead to the Li Teng-hui era of leadership. Tomorrow we will take a look at the man who has succeeded President Chiang.

Chiang Prepared Public for His Death
HK191031 Hong Kong SOUTH CHINA MORNING POST in English 19 Jan 88 p 8

[By Terry Cheng]

[Text] President Chiang Ching-kuo knew he was dying and was preparing the Taiwanese public for his death by appearing in public in a wheelchair last October.

In fact, his health had been deteriorating for so long that his medical records were "waist high", according to one of the doctors who had been looking after him. The President had been ill for seven or eight years but repeated Government announcements stressed his good health.

Mr Chiang insisted on making frequent public appearances to reassure the Taiwanese and ensure stability on the island.

The official record as disclosed by the Government was that President Chiang felt dizzy and vomited on the morning of January 13. Taken to hospital, he went into shock and by early afternoon was vomiting blood. The end came at 3.55 pm.

The deputy superintendent of the Veterans' Hospital, to which the President was admitted that morning, said the Government had never published any detailed information about the President's illness "based on goodwill considerations".

"If we publish (the records), it may mean that various announcements in the past would have to be negated," Dr Chiang Bi-ning told a local newspaper.

Vomiting of blood, Dr Chiang said, was a final symptom but not the cause of death. "This is not rare in the terminal stages of diabetes," he added. President Chiang was known for some time to have been a diabetic.

In the past few months, President Chiang realised he did not have much time and was preparing his officials and the public psychologically for his death.

After rumours that he was confined to a wheelchair, the President did appear in one at the National Day celebrations on October 10.

On Christmas Day, the Nationalist Government's Constitution Day, he made his last public appearance—and those present and the public at large realised that his health was obviously deteriorating.

His speech was very short. he could hardly raise his hand to acknowledge the cheers and his head drooped.

One of his eyes looked white. This prompted one opposition magazine to observe that he was in very poor health as this was a symptom of the last stage of diabetes.

The President also sensed his impending death and prepared his will on January 5, eight days before he died.

Chiang Ching-kuo Funeral Set for 30 Jan
OW172141 Taipei Domestic Service in Mandarin 2300 GMT 16 Jan 88

[Text] The funeral committee for the late President Chiang Ching-kuo held its first meeting at 1500 hours on 16 January at Poai Building. The meeting decided that the late President Chiang Ching-kuo's remains will lie in state for public viewing beginning from 22 January [words indistinct] and will be moved to Tahsi in Taoyuan after the ceremony to place it in its coffin on 30 January.

The meeting was presided over by Ppresident Li Teng-hui and attended by all committee members and the late president's family members Chiang Wei-kuo, Chiang Hsiao-wu, and Chiang Hsiao-yung.

According to reports, the funeral committee has stepped up efforts to [words indistinct] in Touliao in Tahsi and, through the Tahsi Town Office, has requisitioned a lot between 1,000 and 2,000 ping [1 ping equals 36 square feet] to be used for parking.

Macao

Sino-Portuguese Liaison Group Leaders Meet *OW151905 Beijing XINHUA in English 1457 GMT* 15 Jan 88

[Text] Beijing, January 15 (XINHUA)—Ambassador Kang Jimin and Ambassador Carlos Alberto Simoes Coelho, heads of the Sino-Portuguese Joint Liaison Group of the two countries, met here today.

The liaison group was established earlier today following the exchange of instruments of ratification of the joint declaration of the Chinese and Portuguese Governments on the question of Macao here this morning. Sources close to the meeting said that the two ambassadors had initial discussions on the work procedure of the group and the date, venue and agenda of its first meeting.

At the same time, Zhang Xianglin and Dr Joao de Deus Ramos, Chinese and Portuguese heads of the newly-established Sino-Portuguese joint liaison group, also met. They exchanged ideas on the schedule for the group's work at the initial stage and the dateline for [words indistinct] Macao.

Both meetings were conducted in a "friendly atmosphere," sources said.

Luncheon Fetes Macao Declaration *OW151134 Beijing XINHUA in English 1053 GMT* 15 Jan 88

[Text] Beijing, January 15 (XINHUA)—Ji Pengfei, state councillor and director of the Hong Kong and Macao Affairs Office under the State Council, hosted a luncheon here today to mark the exchange of ratification documents for the Sino-Portuguese joint declaration on Macao.

Ji said that with the exchange of the documents, which signifies the going into force of the joint declaration, the two sides have accomplished a major task of historical significance.

"The settlement of the Macao question has opened a new page in the annals of friendly cooperation between China and Portugal," Ji said in a toast, and he expressed his thanks to the Chinese and Portuguese officials who have contributed to the settlement of the Macao question.

He told the guests that in the 12-year transition period for Macao, the governments of China and Portugal are faced with the "common task of ensuring Macao's social stability and economic development, guaranteeing the all-round implementation of the joint declaration and the smooth transfer of government in Macao in 1999."

He expressed the belief that those goals can be realized so long as the two sides cooperate closely and implement the joint declaration earnestly.

In reply, Portuguese Ambassador to China Octavio N. Valerio said that the Portuguese Government would implement the joint declaration in every respect.

"We in Portugal have no doubt that the joint declaration will be smoothly implemented and Macao will make smooth progress during the transition period," he said.

He added that the atmosphere of mutual understanding and friendship which prevailed throughout the negotiations on the settlement of the Macao question, would be instrumental for further cooperation between the two sides on Macao.

In fact, he pointed out, the bilateral relations were well developed even before the joint declaration went into force.

Prior to the luncheon Ji Pengfei had a cordial talk with the Portuguese officials.

Valerio said the foreign minister of his country, Joao Pinheiro, was unable to come to Beijing to attend today's ceremony but he would come in the near future.

Ji told the ambassador, "during your tenure as ambassador in Beijing, China and Portugal have successfully solved the Macao issue. This is the most important event in the history of our bilateral relations. Now the diplomatic relations between our two countries have entered a new stage and cooperation between the two countries will improve."

Valerio told Ji that he hoped that they would meet in Macao in the near future.

"There will be an opportunity," Ji said.

In his conversations with Chinese State Councillor and Foreign Minister Wu Xueqian, Valerio said tourism, textiles and the electronic toy industry have developed rapidly in Macao.

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